



CONFLICT OF INTEREST POLICY

Minetech Resources Berhad	Conflict of Interest Policy		
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1. INTRODUCTION

Minetech Resources Berhad (“**Minetech**” or “**Company**”) is committed to maintaining the highest of ethical standards and recognises that it must be seen at all times to be acting in accordance with highest standards of governance. Accordingly, Minetech expects all staff to conduct themselves with integrity, impartiality and professionalism at all times, and to avoid any conflict of interest that may arise in the performance of their duties.

Proper identification and management of conflicts of interest ensures that business decisions are made in the best interests of the Company and the Company is protected from any consequent damage to its activities and reputation.

2. PURPOSE

The purpose of this Conflict of Interest Policy (“**Policy**”) is to ensure that actual, potential and perceived conflicts of interest are identified and managed effectively. It is intended to provide guidance on how to deal with conflict of interest situations as they arise.

3. SCOPE

This Policy applies to all Directors and employees of Minetech (including employees on contract terms, temporary staff and those on internship or secondment). For the purpose of this Policy, employees include consultants engaged by Minetech on a fulltime basis.

This Policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest may arise from their current or future activities. The Policy provides guidance on how to identify and declare all conflicts of interest, how to develop, implement and monitor actions to appropriately manage the conflict, and how to deal with breaches of this Policy. The scope of this Policy is relatively wide in its coverage of activities that may give rise to conflicts of interest. As it is not possible for the Policy

to be all-inclusive, Directors and employees must exercise reasonable judgement and comply with the spirit of this Policy and not just the letter of the Policy.

4. DEFINITIONS

“Beneficial interest” refers to the right to receive economic benefits from an asset without being the legal owner of the asset, e.g. entitlement of income from shares held through a nominee.

“Conflict of interest” is a situation in which an individual’s personal interest clashes with the professional interest owed to his/her employer, potentially undermining the impartiality of the individual concerned. Conflict of interest includes actual, potential or perceived conflict of interest.

“Family member”, in relation to a person, means:

- i. A spouse of the person;
- ii. A brother or sister of the person, or their spouses;
- iii. A brother or sister of the spouse of the person;
- iv. A lineal ascendant or descendant of the person (e.g. parents or children);
- v. A lineal ascendant or descendant of a spouse of the person (e.g. parents-in-law);
- vi. A lineal descendant of a person referred to in (ii) above (e.g. niece or nephew)
- vii. The uncle, aunt or cousin of the person; or
- viii. The son-in-law or daughter-in-law of the person.

For the purpose of this Policy, family member also includes persons with whom an intimate relationship exists.

“HOD” means Head of Department / Division.

“HRD” means the Human Resource Department.

“Material” in relation to shareholding means equity ownership of 5% or more.

“Minetech” or “Company” refers to Minetech Resources Berhad and its subsidiaries.

5. IDENTIFYING CONFLICTS OF INTEREST

In general, a conflict of interest would arise where a person's ability to perform his/her duties effectively and impartially is potentially impaired by personal interests, considerations or relationships.

Generally, conflicts of interest may be described under the following broad categories:

i. Equity ownership in entities having a business relationship with Minetech

This is where a Director or an employee holds shares in privately owned entities having a business relationship with Minetech, either directly or indirectly (e.g. through a family member). This does not apply to shares held in publicly quoted companies which have a business relationship with Minetech, unless such holding is considered to be material and the interest is likely to impair the objectivity of the Director or employee concerned.

ii. Directorship, partnership or other forms of beneficial interest in entities having a business relationship with Minetech

This applies to situations where a Director or employee holds a position or has an interest in entities having a business relationship with Minetech. An example would be where an employee of Minetech is a Director of a company supplying materials to Minetech. Such situations would result in a conflict of interest.

iii. Other employment, business appointments or undertakings

A conflict of interest may arise where employees hold other part time employment, or have other business appointments or undertakings. An employee is expected to devote his/her time, attention and commitment during work hours to his/her job duties. A conflict of interest can also arise where participation in any business activity outside working hours demands excessive time and attention from the employee, thereby depriving the Company of the employee's best effort on the job or resulting in a negative impact on performance.

iv. Personal relationships

A conflict of interest would exist if a family member of an employee has a reporting relationship with the employee. An employee should not be in the same department/division as a family member, and should not directly or indirectly supervise, or be in a position to influence the hiring, work assignments or assessments of the family member. A conflict of interest would also arise if a Director or employee has a family member with an interest (e.g. in the form of ownership, directorships, partnerships, employment, etc.) in entities which have a contractual arrangement with Minetech. An example would be where an Minetech employee's spouse is working in a company providing consultancy services to Minetech. This also applies to situations where a family member of a Minetech staff is working in a company bidding for a project to be awarded by Minetech, although there is no contractual arrangement yet.

v. Contractual dealings with employees

This refers to situations where Minetech purchases or leases property, equipment, materials, etc. from Directors or employees, or enters into contractual arrangements with Directors or employees (other than employment contracts). Such situations give rise to a conflict of interest, and should not occur except in exceptional circumstances.

vi. Dealings with competitors

If a Director, employee or family member of a Director or employee has financial or other interests or any involvement in the business of a competitor, or holds a directorship in a competitor, such a situation would give rise to a conflict of interest. This does not apply to the holding of publicly quoted shares of competitor companies, unless such holding is considered to be material and the interest is likely to impair the objectivity of the Director or employee concerned. If an employee has accepted employment with a competitor, this could also result in a conflict of interest during the period which the employee is still employed with Minetech, especially if the employee is dealing with sensitive or confidential information. As such, the conflict of interest must be declared immediately upon acceptance of

employment with the competitor to enable Minetech to take the necessary actions to manage the conflict.

vii. Involvement in activities where the Director or employee concerned is the subject matter

A conflict of interest arises if a Director or employee participates in activities where he/she is the subject of the discussion or where the decision involves him/her. An example of this situation is where an allegation is made against a Director or employee through the whistleblowing channel, and the Director or employee is part of the investigating team tasked with investigating the allegation.

viii. Acceptance of meals or entertainment

The acceptance of meals or entertainment may affect a Director's or employee's objectivity and judgement. It is the responsibility of the Director or employee to comply with Minetech's Anti-Bribery Management System Policy to ensure that nothing is received/given which might create a conflict of interest or bring their integrity into question.

6. GENERAL RESPONSIBILITIES

All employees are responsible for identifying and managing conflicts of interest on an ongoing basis and are required to:

- i. Comply with this Policy and other applicable policies and guidelines relating to the identification, documentation, escalation and management of conflicts of interest;
- ii. Act with objectivity, integrity and independence, and exercise sound judgement and discretion;
- iii. Avoid, wherever possible, situations giving rise to conflicts of interest as described in this Policy; and
- iv. Immediately declare the conflict of interest in accordance with this Policy, remove themselves from the decision-making process and not seek to influence such decisions any further.

7. MANAGING CONFLICTS OF INTEREST

- 7.1 Any conflict of interest must be declared by filling up the Conflict of Interest Declaration Form. The conflict of interest must be escalated to the HOD for further action. In the case of Directors, the conflict must be disclosed to the Board of Directors and recorded by the Company Secretary. The declaration shall be made as and when the conflict arises, and shall be made at the earliest opportunity, i.e. as soon as the Director or employee becomes aware of the conflict.
- 7.2 The completed Form shall be forwarded to HRD by the HOD of the person with the conflict. A sample of the Form is attached in Appendix 1.
- 7.3 In addition to declaring the conflict of interest, appropriate steps must be taken to manage the conflict and to mitigate the impact of the conflict on the decision-making process. Ideally, the conflict should be avoided altogether, e.g. by relinquishing the interest that gives rise to the conflict. However, there are circumstances where it may not be practical to totally avoid the conflict, in which case, appropriate actions must be taken, depending on the nature and severity of the conflict.
- 7.4 Where the conflict is not likely to arise frequently, and the impact of the conflict is minimal, the participation of the person in the decision-making process should be restricted. Restriction should include, but is not limited to the following:
- i. Not participating in any critical criteria setting or decision-making role in the process.
 - ii. Refraining from discussions about the matter.
 - iii. Limiting access to information and denying access to sensitive documents or confidential information in the process.
 - iv. Abstaining from voting on the decision.
- 7.5 Where the conflict is ongoing and could have serious implications, the person with the conflict should be removed from the process, which includes the following:
- i. Abstaining from any involvement whatsoever in the matter.

- ii. Rearranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the conflict.
- iii. Transferring the person with the conflict to another project or another area of the Company.

8. MONITORING CONFLICTS OF INTEREST

- 8.1 HRD is responsible for monitoring conflicts of interest involving staff. Upon receiving the Conflict of Interest Declaration Form, HRD shall review the actions taken to address the conflict and decide, on a case-by-case basis whether such actions are appropriate and/or sufficient.
- 8.2 If HRD is of the view that actions taken by the person with the conflict or the HOD is not sufficient to manage or address the conflict, further action shall be recommended by HRD.
- 8.3 In the event of a dispute between the person with the conflict or his/her HOD and HRD, the matter shall be escalated to the Executive Chairman for a decision to be made. HRD shall be consulted if there are any doubts with regards to a conflict of interest situation.
- 8.4 For conflicts of interest involving staff, HRD shall maintain records of all conflict of interest declarations as well as other related documents such as documentation reflecting the mitigating actions taken. For conflicts of interest involving Directors, the Company Secretary shall maintain records of the declarations and any related documents.
- 8.5 The process for declaring, managing and monitoring conflicts of interest involving staff is shown in Appendix 2.

9. BREACH OF POLICY

Failure to disclose a conflict of interest, provide complete and accurate information on the conflict or appropriately manage the conflict is a breach of this Policy and could result in disciplinary action being taken by Minetech.

Disclosure of conflict

Disclosed to HOD: Yes / No

Date of disclosure to HOD:

Declaration:

I hereby declare that the information provided herein is complete and accurate.

.....

Name:

Date:

Acknowledged by HOD:

Remarks by HRD:

Conflict of Interest Declaration Process Flow

Appendix 2

