



SAMAIDEN GROUP BERHAD

201901037874 (1347204-V)

CONFLICT OF INTEREST POLICY

- Conflict of Interest Policy

1.0 INTRODUCTION

Samaiden Group Berhad (“the Company”) and its group of companies (“the Group”) 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, the Group expects all Directors and employees 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 Group, and the Group is protected from any consequent damage to its activities and reputation.

2.0 OBJECTIVE

The purpose of this 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.

3.0 SCOPE

This policy applies to:

- i. All Directors; and
- ii. Employees of the Group (including employees on contract terms, temporary staff and those on internship programme or secondment).

This policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest may arise from their current or future activities. This policy provides guidance on how to identify and declare all conflicts of interest, how to develop and implement actions to appropriately manage the conflict, and how to deal with breaches of this policy. As it is not possible for this policy to be all-inclusive, Directors and employees must exercise reasonable judgment and seek to comply with this policy.

4.0 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” refers to a situation where a person with a vested interest in any company within the Group is in a position or has the opportunity to influence the business or other decisions in ways that could lead to personal gain or advantage of any kind.

Transaction which involve a certain level of conflict of interest may due to the close proximity (e.g. relationship) of the counterparties with a Director or employee within the Group who are involved in the transactions. This includes any transaction, procedure or course of conduct that raises questions about management’s integrity.

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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); or
- vii. The son-in-law or daughter-in-law of the person.

“HR” means Human Resources.

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

5.0 IDENTIFYING CONFLICT OF INTEREST

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

This Policy does not attempt to describe all possible conflict of interest that could develop. Generally, conflict of interest may be described under the following broad categories:

- i. Equity ownership in entities having a business relationship with the Group

This is where a Director or employee holds shares in privately owned entities having a business relationship with the Group, either directly or indirectly (e.g. through a family member). This does not apply to shares held in publicly listed companies which have a business relationship with the Group, 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 the Group

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

- iii. Contractual dealings with Directors or employees

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

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iv. Other employment, business appointments or undertakings

A conflict of interest may arise where an employee holds a secondary employment, or has 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 Group of the employee's best effort on the job or resulting in a negative impact on performance.

v. 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.

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 listed 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 the Group, 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 the Group to take the necessary actions to manage the conflict.

6.0 GENERAL RESPONSIBILITIES

All Directors and employees of the Group 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.

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7.0 MANAGING CONFLICT OF INTEREST

Any conflict of interest must be declared by filling up the Conflict of Interest Declaration Form, as soon as the Director or employee becomes aware of the conflict. For employees, the conflict of interest must be escalated to HR for further action. In the case of Directors, the conflict must be disclosed to the Board of Directors and recorded by the Company Secretary.

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.

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. The person abstaining from any critical criteria setting or decision making role in the process.
- ii. The person refraining from discussions about the matter.
- iii. Limiting access to information and denying access to sensitive documents or confidential information in the process from the person.

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. The person abstaining from any involvement whatsoever in the matter.
- ii. The duties and responsibilities concerned be re-assigned to such other person, who is not supervised by the person with the conflict.

8.0 MAINTAIN OF RECORDS

For conflict of interest involving employees, HR shall maintain records of all conflict on interest declarations as well as any other related documents. Upon receiving the Conflict of Interest Declaration Form, HR shall review the actions taken to address the conflict and decide, on a case-by-case basis, whether such actions are appropriate and sufficient.

For conflict of interest involving Directors, the Company Secretary shall maintain records of the declarations and any other related documents.

9.0 BREACH OF POLICY

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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 the Group.

10.0 REVIEW OF THIS POLICY

This policy may be reviewed from time to time by the Board of the Company, in accordance with the needs of the Group. Any amendments and updates made will be communicated to all levels of the Group.