



# **ANEKA JARINGAN HOLDINGS BERHAD**

(Registration No. 201801030681 (1292707-D))

## **CONFLICT OF INTEREST POLICY & PROCEDURE**

This Conflict of Interest Policy & Procedure is for the internal use of Aneka Jaringan Holdings Berhad group of companies. The Company shall review and update this document from time to time.



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## 1. DEFINITION

| Definition              | Description  |
|-------------------------|--|
| AJHB or the Company     | : Aneka Jaringan Holdings Berhad                                   |
| AJHB Group or the Group | : Aneka Jaringan Holdings Berhad and its subsidiaries              |
| ARMC                    | : Audit and Risk Management Committee                              |
| The Board               | : The Board of Directors   |
| CFO                     | : Chief Financial Officer  |
| COI                     | : Conflict of Interest   |
| COIDF                   | : Conflict of Interest Declaration Form                            |
| Directors               | : Directors of AJHB Group  |
| HOD                     | : Head of Department   |
| KSM                     | : Key Senior Management  |
| Major Shareholder       | : Shareholders holding 5% or more of the publicly quoted companies |
| The Policy              | : The Company's Conflict of Interest Policy & Procedure            |

## 2. INTRODUCTION

### 2.1. Purpose

2.1.1. Aneka Jaringan Holdings Berhad ("**AJHB**" or "**the Company**") and its subsidiaries ("**AJHB Group**" or "**the Group**") is committed to maintaining the highest ethical standards when carrying out its business activities.

2.1.2. In carrying out the business activities of the Group, situations of Conflict of Interest ("**COI**") or potential COI may arise and may pose a threat to the Group's integrity.

2.1.3. This Conflict of Interest Policy and Procedure ("**this Policy**") serves as a framework for the Group pertaining to any COI or potential COI that may arise from the Group's transactions.

### 2.2. Policy Owner

2.2.1. The ARMC is the owner of this Policy.

### 2.3. Scope

2.3.1. This Policy applies to all Directors, Key Senior Management ("**KSM**"), and employees of the Group (this includes any employees on contract terms, temporary staff and seconded employees).

2.3.2. This Policy applies whenever an individual recognises, or should reasonably recognise, that a COI may arise from their current or future activities.



2.3.3. As this Policy covers a wide range of activities that might give rise to COI, it is not possible for this Policy to be all-inclusive. Therefore, Directors, KSM, and all employees must exercise reasonable judgement and seek to comply with this Policy.

2.3.4. This policy shall be read in conjunction with the following policies:

- i. Code of Conduct and Ethics
- ii. Related Party Transactions Policy & Procedures

### **3. UNDERSTANDING CONFLICT OF INTEREST**

3.1. Generally, COI refers to situations whereby:-

- i. The interests of said person (who is often a person in a position of trust), interfere or appear to interfere, with the interests of the Group; or
- ii. The said person has interests that may make it difficult to perform his / her role objectively and effectively.

3.2. A COI involving said person is not limited to direct financial interest but can also include having an indirect financial interest or non-financial interest.

3.3. Indirect interest (financial or non-financial) may be in the form of persons connected to the Director, KSM, or employee. Relationships that are classified as persons connected can fall into any one of the following categories:

- i. A family member of the Director, KSM, or employee where the person falls into one of the following categories:
  - a. Spouse;
  - b. Parent;
  - c. Child including an adopted child and step-child;
  - d. Brother or sister; and
  - e. Spouse of the person referred to in subparagraphs c and d above.
- ii. A trustee or a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, KSM, or employee or a family member of the Director, KSM or employee is the sole beneficiary; or
- iii. A partner of the Director, KSM or employee, or partner of a person connected with the Director, KSM or employee.

### **4. RESPONSIBILITIES**

#### **4.1. Audit and Risk Management Committee**

4.1.1. Under this Policy, the ARMC is the owner of this Policy and is responsible for:

- i. Establishing a comprehensive framework for the purposes of identifying, evaluating, approving, reporting, and monitoring of COI situations through this Policy and updating this Policy as necessary;
- ii. Reviewing any COI pertaining to the Directors and KSM and deliberating on the actions to be taken to mitigate the COI when necessary; and



- iii. Report to the Board of Directors (“**the Board**”) on the Group’s actual or potential COI that may arise.

#### **4.2. Nomination Committee**

4.2.1. Under this Policy, the Nomination Committee is responsible for standing as the key gatekeeper in the process of recruiting directors, evaluating their performance and driving continuous performance of the Board.

4.2.2. Prior to the appointment of a director, the Nomination Committee has to:

- i. Assess the potential directors’ background, skills, and experiences against the agreed profile;
- ii. Check on the COI (including competing business) or independence issues;
- iii. Using its resources to conduct due diligence as necessary; and
- iv. Check the number of directorships held.

#### **4.3. Managing Director**

4.3.1. Under this Policy, the Managing Director is responsible for:

- i. Monitoring the Group’s compliance to this Policy;
- ii. Reviewing the COI List of the Group; and
- iii. In situations where the CFO is not in a position to exercise judgement objectively, the Managing Director shall step in to review and resolve the COI.

#### **4.4. Chief Financial Officer**

4.4.1. Under this Policy, the CFO of the Company is responsible for:

- i. Monitoring the Group’s COI;
- ii. Reporting to the Managing Director on the Group’s compliance to this Policy; and
- iii. Maintaining the COI List of the Group and tabling it to the Managing Director for his/her review.

#### **4.5. General Responsibilities**

4.5.1. Under this Policy, every Director, KSM, and employee of the Group has the responsibility of:

- i. Identifying and declaring any COI or potential COI that may impede the employee’s ability to make business decisions objectively.
- ii. Adhering to the actions taken by the Group to mitigate the COI or potential COI.

### **5. IDENTIFYING CONFLICTS OF INTEREST**

5.1. For the purposes of this Policy, COI may be described under the following broad categories:



|  |   |  |
|--|---|--|
| Equity ownership in privately-owned entities that have a business relationship with the Group                              | : | A Director, KSM, or employee or persons connected to the Director, KSM, or employee holds shares in privately-owned entities having a business relationship with the Group.  |
| Major shareholder of publicly quoted entities that have a business relationship with the Group                             | : | A Director, KSM, or employee or persons connected to the Director, KSM, or employee is a major shareholder of publicly quoted entities having a business relationship with the Group.  |
| Directorship, partnership or other forms of beneficial interests in entities having a business relationship with the Group | : | A Director, KSM, or employee or persons connected to the Director, KSM, or employee holds a position or has an interest in entities having a business relationship with the Group.   |
| Other employment, business appointments or undertakings  | : | A Director, KSM, or employee may hold other part-time employment or have other business appointments/undertakings with entities having a business relationship with the Group.   |
| Personal relationships   | : | A COI may arise when a family member of the Director, KSM, or employee has a reporting relationship with the Director, KSM or employee.  |
| Contractual dealings   | : | A COI may arise when the Group may purchase or lease property, equipment, materials and etc. from Directors, KSM, or employees, or enters into contractual agreements with Directors, KSM, or employees (other than employment contracts). |

## **6. DECLARATION OF CONFLICTS OF INTEREST**

### **6.1. For Employees**

6.1.1. When encountered with a situation that indicates a COI or a potential COI, the employee must at the earliest opportunity, declare this by filling in the Employee's COI Declaration Form ("COIDF") to the HOD and CFO.

### **6.2. For Directors and Key Senior Management**

6.2.1. When encountered with a situation that indicates a COI, the Director / KSM, shall as soon as possible declare the nature, character, and extent of the COI to the ARMC and the Board by way of written notice or electronic means. The same should be communicated to the Company Secretary for their recordkeeping.

6.2.2. All Directors and KSM are also required to make a declaration of COI on a quarterly basis via the Directors / KSM COIDF.

6.2.3. The Directors / KSM COIDF shall be submitted to the Company Secretary for their recordkeeping.

## **7. MANAGING CONFLICT OF INTEREST**

7.1. Upon receipt of the COIDF, the Group must take the appropriate steps to mitigate the impact of the COI on any decision-making processes.



7.1.1. In situations where the conflict is likely to arise frequently, the affected Director, KSM, or employee should be isolated from the decision-making processes altogether. Actions taken should include but is not limited to the following:

- i. Ensuring that the person with the COI abstains from any participation in the matter.
- ii. Reassigning all duties and responsibilities of the person with the COI to a non-conflicting individual / function who is not supervised by the person with the COI.

7.1.2. In situations where the conflict is unlikely to arise frequently, the participation of the Director, KSM, or employee in the decision-making process should be restricted. Actions taken should include but is not limited to the following:

- i. Ensure that the Director, KSM, or employee abstains from any participation in any critical decision-making processes.
- ii. Limit the Director, KSM, or employee's access to sensitive documents or confidential information.

## **7.2. For Employees**

7.2.1. The CFO is responsible for monitoring COI involving employees of the Group. Upon receiving the Employee's COIDF, the CFO shall review the COI and decide, on a case-by-case basis, on the action to be taken to mitigate the COI.

7.2.2. In the event that the CFO is unable to exercise his judgement objectively, the CFO shall escalate the matter to the Managing Director to deliberate on the COI.

7.2.3. In the event that the employee with the COI disputes with the CFO on the decision, the CFO shall escalate the matter to the Managing Director to make a decision. The Managing Director may consult the CFO or HOD to get clarification on the situation.

7.2.4. The CFO is to table the COI List of the Group to the Managing Director for his/her review.

## **7.3. For Directors and KSM**

7.3.1. The ARMC is responsible for monitoring COI involving the Directors and KSM.

7.3.2. The ARMC shall review the COI and decide, on a case-by-case basis on the action to be taken to mitigate the COI. The Director in question shall abstain from participating in the consideration of the relevant item and shall withdraw from discussion (recuse or abstain) thereon and shall not vote on the resolution in respect of the relevant item.

## **8. RECORDS MAINTENANCE**

8.1. For COI involving employees, the CFO shall maintain records of all COI declarations as well as other related documents.

8.2. For COI involving Directors and KSM, the Company Secretary shall maintain records of COI declarations and any other related documents.

## **9. BREACH OF POLICY**

9.1. Failure to disclose a COI or provide competent and accurate information on the COI is a breach of this Policy and could result in disciplinary actions being taken by the Group.



## **10. REVIEW**

- 10.1. This Policy shall be subject to regular monitoring and review so that it can be updated to ensure its relevance as part of the Group's continuous improvement on the Group's corporate governance.



## **Employee's Conflict of Interest Declaration Form**

