



CS018 CONFLICT OF INTEREST POLICY

1. INTRODUCTION

Hextar Capital Berhad (“**HCB**” or “**the Company**”) and its subsidiary companies (“**the Group**”) have established policies and procedures to manage conflict of interest situations. The Group is committed to maintain a high level of ethical standards and expects its employees to conduct themselves with integrity, impartially and professionalism at all times.

HCB will take all reasonable steps to identify and manage any potential and perceived conflicts of interest that may arise. Conflict of interest may arise where a person with a vested interest in the Group is in a position or has the opportunity to influence the Group’s business or other decisions in ways that could lead to personal gain or advantage of any kind.

2. PURPOSE

The purpose of this policy is set out what constitutes a conflict of interest situation and to provide guidance in managing situations where conflict of interest may arise. This Policy applies to all employees as defined in para 3.2 below or any person who has a conflict of interest situations.

3. DEFINITIONS

- 3.1 “**Conflict of interest**” refers to an individual who has competed interests and the serving of one interest could improperly influence the performance of duties and responsibilities, and which may be at the detriment and/or personal gain to another. A real conflict of interest exists at the present time and a potential conflict of interest could be reasonably foreseeable to exist in the future.
- 3.2 “**Employees**” refers to all Board of Directors of HCB and its subsidiaries, employees of HCB and its subsidiaries including family members, contracted employees having employment relationships with our company, as well as temporary staff and seconded employees working under the control and supervision of the Group.
- 3.3 “**Family member**” in relation with an individual, such as spouse; brother or sister and/or their spouses; a lineal ascendant or descendant (e.g. parents or children); son-in-law or daughter-in-law of the individual.
- 3.4 “**Stakeholders**” refers to suppliers, bankers, contractors, agents, distributors, customers and other business partners which has direct or indirect dealing with the Group.



4. CONFLICT OF INTEREST SITUATIONS

Examples of situations likely to give rise to conflict of interest include:

- a) Where the individual has interest in a business that competes or is likely to compete, either directly or indirectly, with the business of the Group;
- b) Where the individual conducts or has interest in business transactions involving goods or services, either directly or indirectly, with the Group;
- c) Where the individual provides or receives financial assistance from the stakeholders; and
- d) Where the individual leases property to or from the Group.

5. PROCEDURES

5.1 Duty to Disclose

Any individual who has a conflict of interest situation is obligated to disclose his interest prior to entering into any transactions or business arrangement with the Group, or as soon as it arises if the transaction or business arrangement is still in subsistence. Failure to do so could result in termination of employment and business relations.

The interested individual shall abstain from deliberating and approving the transactions or business arrangement.

5.2 Evaluating potential conflict of interest situation

When a possible conflict of interest arises, the Audit Committee (“**AC**”) shall evaluate the conflict of interest situation. If the AC determines that a conflict exists, steps will be taken to manage the situation. If no conflict exists, the inquiry may be documented and no further action will be taken.

5.3 Addressing conflicts of interest

When an actual conflict of interest is found, any transactions that may have been affected will be reviewed retroactively. An investigation will also be conducted by the AC to determine the extent of the conflict and the intentions of the parties involved. If the conflict in question involves a member or members of the Board of Directors, such a member will be excused from the deliberations.



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5.4 Investigation and disciplinary action

All conflicts of interest cases will be investigated by the AC. Upon completion of the investigation, the AC shall refer its investigation report to the Board of Directors for appropriate disciplinary action to be taken.

6. RECORDS

The Secretary of the Company shall record every conflict of interest disclosure made by the interested Director in minutes of the meeting in accordance with the Companies Act 2016.