



KUMPULAN PERANGSANG SELANGOR BERHAD

(Registration No:197501002218/23737-K)

DIRECTORS' CONFLICT OF INTEREST POLICY VERSION 1/2022

APPROVED BY BOARD
26 August 2022

This Policy is applicable to Kumpulan Perangsang Selangor Berhad Group of Companies

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1.0 INTRODUCTION

The purpose of this Directors' Conflict of Interest Policy ("DCOI Policy" or "Policy") is to protect the interests of Kumpulan Perangsang Selangor Berhad ("KPS" or "Company") and to promote honest and ethical conduct, including the handling of actual, apparent or potential conflicts of interest between personal and professional relationships.

Under the relevant laws and/or regulations of Malaysia, such as the Companies Act 2016 ("CA2016") of the Companies Commission Malaysia ("CCM") and Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Director must avoid having any conflict of interest ("COI") in making decisions for the Company. The Director has a duty to avoid a situation whereby there is a possibility of conflict between the interests of the Company, whether direct or indirect interests of the Director or between the Director's duties to the Company and those to another person.

1.1 Scope

The DCOI Policy is applicable to the KPS Directors ("Directors") and its subsidiaries directors.

1.2 Responsibility

- (i) Secretarial Department ("SD") is responsible for the development and maintenance of the Policy, including any reviews, changes, amendments, additions or deletions of any provision to the Policy for KPS Group.
- (ii) KPS Board Audit Committee ("BAC") will be responsible to review, consider, and recommend to the Board of Directors of KPS ("Board") in identifying and managing Directors' COI as stipulated in the BAC Terms of Reference ("TOR").
- (iii) The Board upon reviewing the recommendation by the BAC, shall deliberate, review the matter and concur with the recommendation by the BAC on the next course of action.

1.3 Approving Authority

(i) At KPS

The Board is the approving authority of the Policy.

(ii) At Subsidiary Companies

The subsidiary companies are to adopt the Policy upon approval by their respective board.

1.4 Date of Implementation

The Policy is effective immediately upon approval by the Board. As for the subsidiary companies, the Policy is effective upon approval by the respective subsidiary boards.

1.5 Frequency of Review

The DCOI Policy will be reviewed by SD every three (3) years at the minimum to ensure it remains relevant and aligned with the current prevailing laws and regulatory requirements.

1.6 Reference

The Policy is to be read in conjunction with all the relevant policies at the respective entity within the KPS Group, procedural documents and other external guidelines, but not limited to the following:

- (i) CA2016;
- (ii) MMLR of Bursa Securities;
- (iii) Malaysian Code on Corporate Governance ("MCCG");
- (iv) Bursa Malaysia Corporate Governance Guide 4th Edition ("Bursa CG Guide");
- (v) Whistleblower Protection Act 2010;
- (vi) KPS Constitution;
- (vii) KPS Board Charter;
- (viii) KPS Directors' Code of Conduct;
- (ix) KPS BAC TOR
- (x) KPS Code of Business Ethics ("COBE");
- (xi) KPS Financial Authority Limits and Delegation of Authority ("FAL");
- (xii) KPS Anti-Bribery and Corruption Policy ("ABC Policy");
- (xiii) KPS Compliance Policy;
- (xiv) KPS Related Party Transactions Policy; and
- (xv) KPS Whistleblowing Policy.

1.7 Definition

The key terms and acronyms appeared in the Policy shall be defined as per **Appendix 1** of this Policy.

2.0 OBJECTIVES

- 2.1 To guide the Director in identifying and handling potential/actual COI involving the Director with external parties.
- 2.2 To set out the disclosure obligations of each Director concerning COI and the procedures to be followed should a conflict of interest arise.
- 2.3 To assist the Director to discharge his/her duties in line with high ethical and integrity standards, while performing their official duties and responsibilities for KPS Group.
- 2.4 To protect KPS interest and ensure that any situation that would give rise to a COI is adequately reported and managed in accordance with the regulatory requirements.

3.0 STATEMENT OF POLICY

- 3.1 The term "COI" describes any circumstances that could cast doubt on the Director's ability to act with total objectivity regarding the Company's interest and statutory duties. No Director shall knowingly place themselves or their family members in a position that would conflict with the interest or statutory duties of the Company.
- 3.2 The Director in avoiding situations of COI shall:
 - (i) Ensure that their financial circumstances and transactions do not jeopardise their independent judgement or adversely affect their job performance.

(ii) Not hold any financial or other interest directly or indirectly in any contractor, vendor, or party having or is likely to have business dealings with KPS Group.

3.3 Director to declare that he/she does not have any COI or any family relationship with any other Director and/or major shareholders of the Company. Family members include spouse, parent, child (including adopted child and stepchild), brother, sister and the spouse of the Director's child, brother or sister as defined under the CA2016 and MMLR of Bursa Securities.

3.4 The DCOI Policy does not attempt to describe all possible COI that could develop. However, some of the more common conflicts which Director should avoid are described below:

(i) Interest in Person/Entity that has Dealing with KPS Group

Any direct or indirect financial or other interest in a person or entity which has dealings with the KPS Group where the Director can influence decisions with respect to the Company's dealings with such person or entity.

(ii) Directorship/Employment with other Companies that has Dealings with KPS Group

Director serving on the Board of Directors or employment or service in any capacity (with or without remuneration) with any person or body that has dealings with the KPS Group.

(iii) Director in a Position as Member of Tender Board Committee

Where such Director acting as a member of any tender/purchasing committee of the Company has a direct or indirect interest in a person or entity that has a relevant matter for consideration before the said tender/purchasing committee.

(iv) Director in a Position to Influence Decision Making

A Director is positioned to influence decisions made by the Board concerning dealings with a business, enterprise or entity owned or partially owned by the Director, Director's family, associates or those with a close personal relationship.

(v) Conduct Activities Inconsistent with Company's Best Interest

Director shall avoid any conduct or activities inconsistent with the Company's best interests or that disrupt or impair the Company's relationship with any person or entity with which the Company has or proposes to enter a business or contractual relationship.

(vi) Compensation from Non-Company Sources

Director may not accept compensation in any form for services performed for the KPS Group from any source other than the KPS Group for services as a Director.

(vii) Confidential Information, Personal Data and Intellectual Property

- (a) The business affairs and records of Company comprising business, technical, financial, legal, personal data, intellectual property and contractual records and documents comprising e-mails, letters, reports, drawings, calculations, specifications, formulae, forms, licenses, agreements or other documents or computer software or files of whatever nature and information as to formulate, processes and manufacturing methods are all confidential information belonging to KPS or the respective subsidiary companies.
- (b) Such information is strictly private and confidential and may not be utilised, discussed with, divulged to or disclosed to persons inside or outside KPS, except for legitimate business purposes by persons authorised to do so. All necessary precautions are to be taken by the employees with respect to the confidentiality of such confidential information.
- (c) Director must comply with KPS's policies and procedures, including applicable laws concerning the protection of personal data and privacy.
- (d) Director will not at any time, after the cessation of employment tenure with KPS, whether by resignation or otherwise, use KPS's confidential information in breach of the employee post-tenure obligations to maintain the confidentiality of such confidential information.

(viii) Opportunities related to Company's Business for Personal Gain

Director shall avoid taking for themselves personal opportunities related to the Company's business, using the Company's property, information or position for personal gain, and shall not compete with the Company for business opportunities, provided.

(ix) Personal Use of Company Assets

Director shall avoid using Company assets, resources or information for personal use without prior approval by the Chairman of the Board and, in the case of the Chairman, approval by the Board.

(x) Loans

Loans by the Company to, or guarantees by the Company of obligations of, any Director, or their Family Members, are expressly prohibited.

(xi) Directorships in Common

In some circumstances, the Company may enter transactions with other companies that share a common Director with KPS, or where the Director is an officer or employee of such other company. When possible, the affected Director, after having disclosed all known pertinent information and subsequently cleared by the BAC, must avoid participating in deliberations and decisions concerning any transaction, contract, or other arrangement between the Company and the other company.

(xii) Acceptance of Entertainment, Gifts, Meals and Benefits from Any Person or Parties/Agents or Organization Connected to KPS Group

Director is strictly prohibited from accepting any entertainment, benefits or gifts of a Nominal Value more than RM350 per transaction from any person or parties/agents or organisation who have ongoing or potential business dealings or are connected to KPS Group including but not limited to cash, vouchers or any items of value having any cost or financial value, including food and beverages (i.e. pens, hampers, concert tickets, supplier or sub-contractor sponsored meals and entertainment), particularly if it is given with the intent to influence the Director to secure an undue or improper result, award, decision, benefits or advantage of any kind in relation to KPS Group.

Any Director who has received such items:

- (a) must disclose/consult such fact with the Board, and the Chairman, a Director, or the MD/GCEO whether they need to declare the benefits or gifts may be perceived as a COI; and
- (b) must professionally inform Participating Vendor and others of the Policy, and the reasons the Company has adopted it as entertainment and gift can be seen as a bribe that may tarnish the Company reputation or be in violation of anti-bribery and corruption laws.

4.0 OBLIGATION & DECLARATION PROCEDURE

4.1 Director is required to always declare and notify the nature and extent of any COI such as such as name of company, number of shares, percentage of shareholding, relationship, in which the Director has COI the Board/BAC and the Company Secretary in writing or electronic means such as email as soon as practicable, whether direct or indirect or whether actual or potential, with the Company or its subsidiaries. Thereafter, the Company Secretary to table the COI matter to the Board at its meeting.

4.2 Identification by a Director (Self Declaration)

- (i) Where a Director has disclosed a COI as required under the Policy, the Conflicted Director:
 - (a) will continue to receive Board papers or other information which relates into the COI matter, unless the Conflicted Director requests or the Chairman determines that he or she not receive any or all of those documents i.e. not in the best interests of the Company;
 - (b) to physically excuse himself/herself from any part of a Board and/or Board Committee meetings for the duration of any discussion on the COI matter; and
 - (c) shall not vote on the COI matter.

- (ii) If a majority of the Non-Conflicted Directors who do not have an interest in such a matter resolve that a disclosed interest should not disqualify a Conflicted Director from being present while the matter is being considered, then Clauses 4.2(b) of the Policy shall not apply. The Conflicted Director may be present only to make the quorum counted at the Board meeting but shall not participate in any discussion while the contract/transaction or proposed contract/transaction is being considered during the Board meeting and shall not vote on the contract/transaction or proposed contract/transaction as stated under Section 222 of the CA2016.
- (iii) The Company Secretary shall minute the COI declaration and decision taken on the COI matter.

4.3 Identification by the Board/Others

- (i) If there is any COI matter which is or is likely to be brought before the Board, by the Chairman, a Director, the MD/GCEO and/or any other persons that has a concern that the disclosure of such COI matter to a particular Director:
 - (a) would not be in the best interests of the Company; or
 - (b) place that particular Director in a position of conflict.then the matter should be referred to the Chairman of the Board. Upon consideration by the Chairman in consultation with the MD/GCEO and Company Secretary, the Chairman may determine that the particular Director is in a position of conflict, and in such circumstances, the Conflicted Director:
 - (a) will not receive Board papers or other information which relates to COI matter;
 - (b) to physically excuse himself/herself from any part of a Board or Board Committees meeting for the duration of any discussion on the COI matter; and
 - (c) shall not vote on the COI matter.
- (ii) Where disclosure of a particular matter may place the Chairman in a position of conflict, the Board shall appoint an independent Director, who shall consider the COI matter in consultation with the MD/GCEO and Company Secretary to decide on the COI matters set out in Clause 4.3 of the Policy.

4.4 To further strengthens the COI disclosure, the following procedures will be implemented:

- (i) the Company Secretary to remind all Directors to make declaration/disclosure on COI matter via email or in writing upon issuance of the Notice and Agenda of the respective Board/Board Committee ("BC") meetings;
- (ii) the Chairman of the Board/Chairman of the meeting is advisable at every meeting of the Board/BC i.e., before commencement of the agenda items to remind the Directors to make declaration/disclosure should there be any COI based on matters tabled at the particular Board/BC meetings; and

- (iii) all directors are required to make an annual declaration of COI via the **Annual Declaration of COI** as set out in **Appendix 2** of the Policy.

5.0 COMPLIANCE

As and when there is any potential or actual COI arises, the Director shall adhere to the Obligation and Declaration Procedures set out in item 4.0 of the Policy and/or any other applicable provisions, policies, laws, rules and regulations of Malaysia, which include among others as follows:

- (i) Sections 219 and 222 of the CA2016;
- (ii) Paragraphs 7.25 and 10.08(6) of the MMLR of Bursa Securities;
- (iii) Clause 105 of the Company's Constitution;
- (iv) Clause 8 of KPS Board Charter;
- (v) Clause 4.2 of KPS Code of Conduct for Directors; and
- (vi) Clause 6.6 of the KPS BAC TOR.

6.0 EXCEPTION

- 6.1 Any exception from the Policy shall require the approval of the Board.
- 6.2 The exceptions shall be publicly disclosed if, and to the extent as required by the CA2016, MMLR of Bursa Securities, Company's Constitution and policies and/or any other applicable laws, rules and regulations of Malaysia.

7.0 APPENDICES

- 7.1 Appendix 1 - Definition
- 7.2 Appendix 2 - Annual Declaration of Conflict of Interest by Director

Document Version Control		
Document Version/Revision	Approved by	Effective Date
Establishment	KPS Board of Directors' Meeting	26 August 2022

DEFINITION

Terms	Definition
Annual Declaration of COI	means Conflict of Interest Annual Declaration made by Director of KPS
Board	means Board of Directors of KPS
BAC	means Board Audit Committee of KPS
Bursa Securities	means Bursa Malaysia Securities Berhad
CCM	means Companies Commission of Malaysia
CA2016	means Companies Act 2016
DCOI Policy or Policy	means Directors' Conflict of Interest Policy of KPS
Conflicted Director	means a Director in respect of whom a conflict of interest arises or may reasonably arise in relation to a matter to be discussed or voted upon at the Board/Board Committee meetings pursuant to provisions under the CA2016, MMLR of Bursa Securities, the Company's Constitution, Board Charter, Code of Conduct for Directors of KPS, TOR of BAC and/or any other applicable provisions, policies, laws, rules and regulations of Malaysia.
Confidential Information	means all trade secrets, proprietary information, know - how, and confidential information of company including but not limited to: any and all technical, business or financial information or property, owned by or licensed to company, or otherwise relating to company and / or any of its subsidiaries, affiliates and related entities which is heretofore or hereinafter disclosed to Supplier, including but not limited to information regarding company's goods or services, processes, personnel, finances, business plans, studies, analyses, projections, research, market data, operations, apparatus, computer software, know-how, trade secrets, inventions, equipment, tools, moulds, dies, fixtures, parts, prototypes, samples, drawings, test results, material and manufacturing specifications, suppliers, customers, employees, processes, licensing and any other ideas or information relating to company's business or company Products, the Supplies or any business or activity in which company is engaged, regardless of the form of disclosure, whether or not disclosed in a writing marked "Confidential" or in some similar manner or identified as confidential
Director	has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon:

Terms	Definition
	<p>(a) a Director of the listed issuer, its subsidiary or holding company; or (b) a Chief Executive of the listed issuer, its subsidiary or holding company.</p> <p>and pursuant to Section 210 of the CA2016 states that in addition to the definition of "director" in Section 2 of the CA2016, "director" includes chief executive officer, chief financial officer, chief operating officer or any other person primarily responsible for the management of the company</p>
Financial Interest	means direct or indirect dealings with any entity outside KPS Group of Companies (which has business dealings with the company) from which an employee benefits cash or any other pecuniary consideration
Family Member	have the same meanings given under Section 197(2)(a) CA2016 and Paragraph 1.01 of the MMLR of Bursa Securities which include spouse, parent, child (including adopted child and stepchild), brother, sister and the spouse of the Director's child, brother, or sister
KPS or Company	means Kumpulan Perangsang Selangor Berhad
KPS Group or Group	means KPS and its subsidiary companies collectively, as defined in Section 4 of the CA2016
MD/GCEO	means Managing Director/Group Chief Executive Officer of KPS
MMLR	means Main Market Listing Requirements of Bursa Securities
Nominal Value	means any item, service or other thing of value (including cash or cash equivalents) with a value of not more than RM350.00 per transaction
Non-Conflicted Director	means any Directors of the Company who is not a Conflicted Director pursuant to provisions under the CA2016, MMLR of Bursa Securities, the Company's Constitution, Board Charter, Code of Conduct for Directors, Terms of Reference of BAC of KPS and/or any other applicable provisions, policies, laws, rules and regulations of Malaysia.
Participating Vendor	means an entity that has a group purchasing agreement with KPS and/or KPS Group or submits a formal bid or offer to contract with KPS and/or KPS Group
Person Connected with Directors	means a person shall be deemed to be connected with a director if the person is member of the director's family; a body corporate which is associated with that director; a trustee of a trust, other than a trustee for an employee share scheme or pension scheme,

Terms	Definition
	<p>under which that director or a member of the director's family is a beneficiary; or a partner of that director or a partner of a person connected with that director pursuant to provision under Section 197(1) CA2016.</p> <p>Under Section 197(2) CA2016 states that a body corporate is associated with a director if the body corporate is accustomed or is under an obligation, whether formal or informal, or the majority of directors of the body corporate is accustomed, to act in accordance with the directions, instructions or wishes of that director; that director has a controlling interest in the body corporate; or that director, or persons connected with that director, or that director and persons connected with him, are entitled to exercise, or control the exercise of, not less than twenty per centum of the votes attached to voting shares in the body corporate.</p>
Policies	means Policies as issued and approved by the Board of Directors governing the conduct and management of KPS
Related Party	means a Director, major shareholder or persons connected with such Director or major shareholder of KPS
SD	means Secretarial Department of KPS

ANNUAL DECLARATION OF CONFLICT OF INTEREST BY DIRECTOR

In accordance with the purposes and intent of Kumpulan Perangsang Selangor Berhad ("KPS" or "Company") Directors' Conflict of Interest Policy ("DCOI Policy" or "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 OF 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 KPS and/or KPS Group has or proposes to enter a business or contractual relationship?</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 organization, firm, company whether joint venture, owned or partially owned by your organization that would, directly or indirectly, compete with any KPS and/or KPS Group businesses?</p> <p><i>Example: Hold a board seat or executive position of an entity or any of its sub-entities that has competing interests to KPS and/or KPS 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 KPS and/or KPS 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, favors, 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 KPS and/or KPS Group, a Participating Vendor/member or other strategic alliance for personal benefit?</p>		
5.	<p>Have you, a Family Member or Related Party taken personal opportunities related to KPS business by using KPS and/or KPS Group property, information, or position for personal gain, or competed with KPS for business opportunities?</p>		

NO.	CONFLICT OF INTEREST DECLARATION	YES	NO
		Please indicate with a tick (/)	
6.	Have you, a Family Member or Related Party used KPS and/or KPS Group assets, labor or information for personal use without prior approval by the Chair of the Board/Board or not 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 KPS and/or KPS 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, apparent or potential conflicts of interest?		

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

No.	Explanation for items ticked YES*

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 Chairman/Board and/or Company Secretary of KPS any change in the responses to each of the foregoing questions that may result from changes in circumstances or any further financial interest, situation, activity, interest or conduct that may develop before completion of my next annual Disclosure Statement.
- (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 :