



Farmiera Group of Companies
CONFLICT OF INTEREST POLICY

1.0 OBJECTIVE

The objective of this Conflict-of-Interest Policy is to establish guidelines and procedures to identify, disclose, and manage conflicts of interest involving officers, directors, employees, and any other individuals associated with Farmiera Group of Companies) (hereinafter referred to as "the Company").

2.0 SCOPE

2.1 This policy encompasses all Farmiera Group director and employees, including those under permanent, fixed-term, or part-time employment contracts.

2.2 This includes any revised or new policies, regulations, or other Codes of Conduct issued by the Company or the Government in the future.

2.3 As a key principle within this policy, the Company reserves the absolute right and sole discretion to change, amend, edit, and update any parts of the policy as and when deemed necessary.

3.0 DEFINITION

A "conflict of interest" arises when an individual's private interests interfere with, or appear to interfere with, the Company's interests. Such conflicts can occur when an employee's actions or interests might compromise their ability to perform their work for the Company objectively and effectively.

Conflicts of interest can also emerge when directors, employees or their family members receive improper personal benefits due to their position within the Company. Here are examples of conflicts of interest:

(a) Engaging in any capacity (such as part-time employment or consultancy) for a competitor, customer, or supplier while being employed by the Company.

(b) Directly or indirectly owning a significant financial interest in a company that has substantial business dealings with the Farmiera Group or is involved in a significant area of activity similar to that of the Group.

(c) Accepting gifts, payments, or services of substantial value, offering sexual favors, excessive entertainment, or recreational trips from competitors, consultants, suppliers, or customers, which may be perceived as inappropriate.

(d) Business trips sponsored by consultants, suppliers, customers, or business partners must have a justifiable benefit for the Company and require approval from the Managing Director.

(e) Engaging in activities that knowingly compete with the Farmiera Group's business, services, or other interests.

(f) Diverting business to family members or to suppliers or customers owned, managed, or employing family members or relatives who have a significant role in the business without obtaining approval from the Managing Director

4.0 DECLARATION

Any conflict of interest must be declared by filling in the Conflict-of-Interest Declaration form (as attached in Appendix A). The conflict of interest must be escalated to the Human Resources Department 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.

In addition to declaring the conflict of interest, it is necessary to adopt suitable measures to effectively handle the conflict and lessen its impact on the decision-making process. Ideally, complete avoidance of the conflict should be pursued, which might involve relinquishing the conflicting interest. However, there could be instances where complete avoidance is not feasible. In such situations, appropriate actions should be taken, considering the nature and severity of the conflict.

When the likelihood of the conflict arising is low and its impact is minor, the individual's involvement in the decision-making process must be limited. This restriction should encompass, though not exclusively, the following actions:

- Avoid engagement in any critical criteria setting or decision-making responsibilities within the process.
- Abstaining from participating in discussions concerning the matter.
- Restricting access to information and withholding entry to sensitive documents or confidential data within the process.
- Refraining from casting a vote on the decision.

5.0 PROCEDURES

5.1 All key senior management and directors are required to endorse declaration of interest on a yearly basis by filling in the declaration of interest form (appendix 1)

5.2 Any suspected violation of this policy should be reported to the Head of Human Resources at Farmiera Head Office:

General Manager (Head), Human Resources
Farmiera Group of Companies
Human Resources Division
B-3-1 Menara BBT One, North Tower
Lebuh Batu Nilam 1, Bandar Bukit Tinggi
Klang 41200 Selangor Darul Ehsan
Direct Line Tel: +603-33236828 / +603-33238828
Email: AR@farmiera.com

5.3 Upon receiving a report of integrity concerns, the Head of Human Resources will initiate an independent investigation of the reported incident on a confidential basis.

5.4 The Head of HR or assigned investigation officer will analyse and gather all related information, examine facts, interview witnesses, and assess evidence to determine if there is a breach of corporate governance or the Code of Conduct. During this information-gathering process, the identity of the employee who raised the concern will not be disclosed without their prior consent, and all provided information will be handled discreetly.

5.5 The Head of HR or assigned investigating officer may seek legal advice whenever it is deemed necessary.

5.6 After considering all information and evidence, a confidential report with findings, including an evaluation and recommendations will be provided by the Head of HR to CEO to determine the appropriate further action, including potential disciplinary procedure.

- Endangering the health and safety of others
- Non-disclosure of gifts received from suppliers, customers, etc.
- Pressuring individuals to commit unethical acts
- Unlawful acts or a breach of law
- Acts or omissions which are deemed to be against the interest of the Company

6.0 RECORD

No	Type of Record	Retention Period	Responsibility	Location
a.	Approved on	From	HR	Malaysia

7.0 APPENDICES

Appendix 1: Declaration of Interest Form

DECLARATION OF INTERESTS

This document serves as a reminder to all employees of their responsibilities during their employment with the Farmiera Group of Companies, hereinafter referred to as "the Company."

(a) Duty of Fidelity

You are obliged, during your employment with the Company, to refrain from engaging in, intending to be involved in, or in any way participating, directly or indirectly, in any trade, business, or occupation other than that of the Company, without the Company's explicit consent. This prohibition extends specifically to businesses that directly or indirectly compete with that of the Company.

(b) Avoiding Secret Profits

You are further obligated not to derive any undisclosed profits, benefits, or advantages from any contracts, transactions, or dealings entered into by the Company, unless such actions have been expressly approved by the Company. This requirement applies particularly to those contracts and transactions that you handle directly or indirectly on behalf of the Company.

Please confirm that you have diligently adhered to the aforementioned duties and obligations.

(Deleted where not applicable)

i. I, _____, hereby confirm that I have fully complied with the aforementioned duties and obligations and commit to continuing to do so.

ii. I, _____, hereby declare that I have interests in the following:

<u>Name of Company</u>	<u>Nature of Business</u>	<u>% of Shareholding</u>	<u>Capacity in Company</u>
a.			
b.			
c.			

Signature

Date

Explanatory Notes. "Company" refers to private limited companies, public but unlisted companies, sole proprietorships, and partnerships.

b. "% of shareholding" indicates your ownership interest in the company, either directly or indirectly. Direct ownership refers to shares or interests held in your name, while indirect ownership signifies shares or interests held in the name of another person who acts in accordance with your instructions.

c. "Capacity in the company" pertains to any position held within the company, such as Director, Managing Director, Officer, etc.