



MR D.I.Y. GROUP (M) BERHAD

CONFLICT OF INTEREST POLICY

MR D.I.Y. GROUP (M) BERHAD CONFLICT OF INTEREST POLICY	Version#	01
	Effective Date:	24 Nov 2020
	Revision Date:	-

CONFLICT OF INTEREST POLICY

1. INTRODUCTION

- 1.1 MR D.I.Y. Group (M) Berhad and its group of companies (“MR. D.I.Y.”) is committed to maintaining the highest of ethical standards and governance. Accordingly, MR. D.I.Y. expects all staff 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.
- 1.2 As part of the daily activity of MR. D.I.Y., a number transactions and interactions take place. During the course of these interactions and transactions, conflict of interest may arise. It is essential that MR. D.I.Y. personnel understand where such situations can arise and promptly declare any such situation to the company in order to avoid or manage any conflict.
- 1.3 In order to protect MR. D.I.Y., its employees, shareholders and other stakeholders against conflict of interest, MR. D.I.Y. has established this policy and a declaration procedure. These aim to manage actual, potential and perceived conflict of interest and clearly state the principles with which MR. D.I.Y. approaches any such situations.

2. PURPOSE

The purpose of this policy is to set out what constitutes conflict of interest and to provide guidance on how to deal with situations involving conflict of interest as when they arise.

3. SCOPE

- 3.1 This policy is intended to apply to all Directors and employees of MR. D.I.Y (including employees on contract terms, temporary staff and those on internship or secondment).
- 3.2 This policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest may arise from their current or future activities.
- 3.3 The scope of this policy is relatively wide in its coverage of activities that may give rise to conflicts of interest. As it is not possible for the policy to be all-inclusive, Directors and employees must exercise reasonable judgment and seek to comply with this policy.

4. DEFINITIONS

- 4.1 “**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.
- 4.2 “**Conflict of interest**” is a situation in which a person has competing 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.
- 4.3 “**Family member**”, in relation to a person, means: -
- a. A spouse of the person;
 - b. A brother or sister of the person, or their spouses;
 - c. A lineal ascendant or descendant of the person (e.g. parents or children);
 - d. The son-in-law or daughter-in-law of the person.
- 4.4 “**Material**” in relation to shareholding means equity ownership of 5% or more.

5. IDENTIFYING CONFLICTS OF INTEREST

- 5.1 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.
- 5.2 Generally, conflicts of interest may be described under the following broad categories: -
- a. **Equity ownership in entities having a business relationship with MR. D.I.Y.**

This is where a Director or an employee holds shares in privately owned entities having a business relationship with MR. D.I.Y., either directly or indirectly (e.g. through a family member). This does not apply to shares held in publicly quoted companies which have a business relationship with MR. D.I.Y., unless such holding is considered to be material and the interest is likely to impair the objectivity of the Director or employee concerned.

b. Directorship, partnership or other forms of Beneficial Interest in entities having a business relationship with MR. D.I.Y.

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

c. Personal family relationships

A conflict of interest would exist if a family member of an employee has a reporting relationship with the employee. This also applies to situations where a family member of an MR. D.I.Y. staff is working in a company bidding for a project to be awarded by MR. D.I.Y., although there is no contractual arrangement yet.

d. Contractual dealings with employees

This refers to situations where MR. D.I.Y. purchases or leases property, equipment, materials, etc. from Directors or employees, or enters into contractual arrangements with Directors or employees (other than employment contracts). Such situations give rise to a conflict of interest, and should be declared.

6. GENERAL RESPONSIBILITIES

6.1 All Directors and employees of MR. D.I.Y are responsible for identifying and managing conflicts of interest on an ongoing basis and are required to:

- a) Comply with this policy and other applicable policies and guidelines relating to the identification, documentation, escalation and management of conflicts of interest;
- b) Act with objectivity, integrity and independence, and exercise sound judgement and discretion;

- c) Avoid, wherever possible, situations giving rise to conflicts of interest as described in this policy; and
- d) Immediately declare the conflict of interest in accordance with this policy, abstaining from the decision-making process and not seek to influence such decisions any further.

7. MANAGING CONFLICTS OF INTEREST

- 7.1 Any conflict of interest must be declared by filling up the Conflict of Interest Declaration form (as attached in **Appendix A**). The conflict of interest must be escalated to the Head of Department or his/ her direct superior for further action. In the case of Directors, the conflict must be disclosed to the Board of Directors and recorded by the Company Secretary.
- 7.2 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.
- 7.3 The completed Declaration Form shall be forwarded to Legal by the Head of Department of the person with the conflict concerned.
- 7.4 In addition to the declaration, the person with the conflict and the respective Head of Department must take reasonable steps to manage the conflict and to mitigate the impact of the conflict on the negotiation/ discussion/ decision making process. The participation of the person with conflict should be limited and restricted. Such limitation or restriction should include, but is not limited to the following:-
 - a) Abstaining from the project/ matter, including any involvement, discussion and/ or during the process of decision making;
 - b) Limiting access to information;
 - c) If necessary, re-arranging duties or responsibilities to a non-conflicting function.

8. MAINTAIN OF RECORDS

For conflicts of interest involving employees, Legal shall maintain records of all conflict on interest declarations as well as other related documents. For conflicts of interest involving Directors, the Company Secretary shall maintain records of the declarations and any other related documents.

9. BREACH OF POLICY

Failure to disclose a conflict of interest is a breach of this policy and may lead to disciplinary action.

10. OTHER RELEVANT DOCUMENTS

This policy must be read in conjunction with MR. D.I.Y.'s Anti-Bribery and Corruption Policy and other related policies. The Conflict of Interest Declaration form must be used to disclose any conflicts of interest.

11. UPDATES AND REVIEW

This Policy may be updated from time to time and any amendments and update will be immediately made available.

APPENDIX A

MR. D.I.Y. GROUP BERHAD CONFLICT OF INTERESTS¹ DECLARATION FORM

(TO BE COMPLETED BY EMPLOYEE)

I understand that if I, my family members have any direct or indirect interest in _____ (“the related party”) which has business dealings with MR. D.I.Y., I shall make a declaration to the Management of MR. D.I.Y.. as follows:

Do you or your family members (“related persons”) have any personal connection or interest in the related party’s dealings with MR. D.I.Y.?

- Yes, I believe I have an actual/potential conflict of interest.
- No, I do not have any conflict of interest.

If yes, I hereby declare that I have an actual/potential conflict of interest as follows
(*Briefly describe the type of interest and the parties involved.*):

I hereby confirm that this is a complete disclosure of all conflicts of interest concerning personal interests or that of a related person in the related party which has business dealings with MR. D.I.Y.

I acknowledge, and agree to comply with, any approach identified in this form for removing or managing an actual/potential conflict of interest.

Name:

Position:

Signature:

Date:

¹ Conflict of interest: is a situation in which an individual’s personal interest clashes with the professional interest owed to his/ her employer, potentially undermining the impartiality of the individual concerned. Conflict of interest includes actual, potential or perceived conflict of interest.

APPENDIX A

(APPROVAL BY EMPLOYEE'S SUPERIOR)

In my opinion the details provided:

- do not constitute an actual/potential conflict of interest, and I authorize the employee to continue the activity.
- do constitute an actual/potential conflict of interest.

If yes, I have reviewed the above considerations and request that the employee undertakes the following action to eliminate/manage the conflict:

Name:

Position:

Signature:

Date: