



Registration No. 202101026155 (1436455-A)

Conflict of Interest Policy

Version	Effective Date

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DEFINITIONS

For the purpose of this Policy, the following definitions shall apply:

“**Company**” means Wellspire Holdings Berhad.

“**Group**” means Wellspire Holdings Berhad and its subsidiaries.

“**Board of Directors**” means the Board of Directors of the Company.

“**Audit Committee**” means the Audit Committee of the Company.

“**Director**” shall have the meaning assigned to it in the Companies Act 2016, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Capital Markets and Services Act 2007.

“**Company Secretary**” means the Company Secretary of the Company.

“**Policy**” means this Conflict of Interest Policy.

“**Employee**” means a person employed by the Group and for the purpose of this Policy solely, includes contract staff, temporary staff, interns and those on secondment.

“**Conflict of Interest**” or “**COI**” refers to a situation where:

- a) the interests of the Director/Employee interfere, or appear to interfere, with the interests of the Group; or
- b) the Director/Employee has interests that may make it difficult to perform his or her role objectively and effectively.

COI is not limited to direct financial interest but also includes indirect financial interest, non-financial interest (e.g. arising from relationships whether through Close Relatives or Close Associates), or competing loyalties or interests or any transaction, procedure or course of conduct that raises questions about integrity. COI can be actual, potential or perceived.

“**Actual Conflict**” refers to a situation where there is a real or material conflict of interest between the Director or Employee and the performance of his/her duties in the best interests of the Group.

“**Potential Conflict**” refers to a situation where an actual conflict of interest may occur at some point in the future, either based on current circumstances or a change in circumstances.

“**Perceived Conflict**” refers to a situation in which a reasonably well-informed person would believe that a Director or an Employee could be influenced in the performance of his/her duties by factors relating to the personal interest of the Director or Employee or by association with Close Relatives or Close Associates.

“**Conflicted Employee**” means the Employee for whom a COI may exist.

“**Conflicted Director**” means the Director for whom a COI may exist.

“**Close Relatives**” in relation to the Director or Employee, covers biological or non-biological relationships and includes but not limited to spouse(s), children (including stepchildren and adopted children), parents, stepparents, siblings, stepsiblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins.

“**Close Associates**” means persons with whom a Director or Employee has a close relationship, including but not limited to (i) Close Relatives; and (ii) any corporate entity or partnership arrangement in which a Director or Employee and/or his or her Close Relative(s) has/have control or joint control, significant influence (accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Employee or Closed Relative(s)), or is part of the key management team of that corporate entity or partnership arrangement.

“**HR**” refers to the Human Resource Department/Division.

1. INTRODUCTION AND OBJECTIVE

The Group is committed to maintain the highest ethical standards and recognises that it must be seen at all times to be acting in accordance with the best corporate governance practices. Accordingly, the Group expects all its Directors and Employees to conduct themselves with integrity, impartiality and professionalism at all times, and to avoid any conflict of interest situations that may arise in the performance of their duties.

Proper identification and management of conflicts of interest ensure business decisions are made in the best interests of the Group, and the Group is protected from any consequent damage to its activities and reputation.

This Policy is established to ensure that actual, potential and/or perceived conflicts of interest are identified and managed effectively. It is intended to provide guidance on how to:

- a) identify and declare conflict of interest;
- b) develop and implement actions to appropriately manage a conflict of interest situation; and
- c) deal with breaches of this Policy, if any.

2. APPLICABILITY

This Policy applies to all Directors and Employees of the Group.

Conflicts of interests not specifically address in this Policy must be dealt with according to the principles and intent of this Policy.

3. IDENTIFYING CONFLICT OF INTEREST

A COI would arise where a person's ability to perform his/her duties effectively or impartially is potentially impaired by personal interest, considerations or relationships with Close Relatives or Close Associates.

Generally, examples of COI situations are where a Director or an Employee:

- a) uses property or resources of the Group for his or her personal purpose or business;
- b) channels benefits or resources meant for the Group to a company which he or she has an interest in, whether directly or indirectly;
- c) discloses trade secrets to a competitor where he or she has an interest in, whether directly or indirectly;
- d) influences decision of the Group to develop an area where the said person owns property so that he or she will also enjoy the benefit either financially (e.g. capital appreciation of the property) or non-financially (e.g. convenience from the infrastructure developed) from such development;
- e) prioritises his or her private venture by depriving the Group from an identified business opportunity;
- f) leverages the Group's business or developmental plan by acquiring adjacent lands using the said person's private company;

- g) is involved in a business which offers similar products or services that are likely to replace or substitute the products or services offered by the Group;
- h) holds offices or directorships in competitors of the Group;
- i) provides financial assistance to, or receives financial assistance from, the Group on terms and conditions which are more favourable to the said person than normal commercial terms;
- j) has similar business with that of the Group in a geographical location which the Group is not currently operating in, but which the Group may expand its venture in subsequently;
- k) purchases substantial building materials for construction of his or her own property at a massive discount from a contractor which has been shortlisted as one of the contractors for the Group's project;
- l) purchases/disposes or leases property, equipment, materials, etc. from or to the Group, or enters into contractual arrangement with the Group; or
- m) has a personal relationship or family member where such person can influence the hiring, work assignments or assessments of another person in the Group.

4. GENERAL RESPONSIBILITIES

All Directors and Employees are responsible for identifying and managing COI 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 COI;
- b) comply with relevant provisions of the Companies Act 2016, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries issued by Securities Commission Malaysia and other laws and regulations relating to COI, where applicable;
- c) act with objectivity, integrity and independence, and exercise sound judgement and discretion;
- d) avoid, wherever possible, situations giving rise to COI as described in this Policy; and
- e) immediately declare the COI in accordance with this Policy, remove themselves from the decision-making process and refrain from further influencing such decisions.

5. MANAGING CONFLICT OF INTEREST

The measures to address COI situations are as follows:

- a) **Declaring COI** as soon as practicable after the relevant facts have come to the knowledge of the Director or Employee as well as on a periodic and regular basis including at all board meetings.

The declaration shall be made by the Director or Employee at the earliest opportunity i.e., as soon as the Conflict of Interest arises, or the Director or Employee becomes aware of the conflict, by completing a **COI Declaration Form**.

For an Employee, the COI Declaration Form must be escalated to his or her line manager or next senior officer and the HR for further action.

In the case of a Director, the COI Declaration Form must be escalated to the HR for further action.

The COI Declaration Forms received from the Directors and Employees shall be compiled and escalated to:

- (i) the board of directors of the subsidiary, where the COI involves an employee or director of that subsidiary, for attention before reporting to the Audit Committee and Board of Directors; and
- (ii) where the COI involves an employee or director of the Company, the Audit Committee and Board of Directors at their respective meetings for review and consideration.

The Company Secretary shall record the COI declarations, deliberations and decisions in the minutes of the Audit Committee and Board of Directors' meetings accordingly.

- b) **Restricting the participation** of the Conflicted Director or Conflicted Employee at the relevant Board and/or board committee meetings or management meetings or general meetings and requiring him or her to abstain himself or herself from discussion, deliberation and/or voting on matters relating to the COI;
- c) **Undertaking an assessment on COI** of the Employees during the performance appraisal on an annual basis and for new appointments of Directors, before the appointment;
- d) **Executing a non-disclosure or confidentiality agreement** to protect any type of confidential and proprietary information or trade secrets;
- e) **Restricting the Directors and Employees from participating** in businesses which compete with the Group;

- f) **Limiting access to information** and denying access to sensitive documents or confidential information in the process;
- g) Requiring the Conflicted Director or Conflicted Employee to either **divest the interest causing the conflict or resign from the Group** (in extreme circumstances) if the COI is likely to continuously affect his or her performance;
- h) **Rearranging duties and responsibilities to a non-conflicting function or transferring the Conflicted Employee** to another project or another division of the Group; and/or
- i) **Providing training on COI** to ensure the Directors and Employees understand the objective of the Policy and enable the Group to manage the COI situations effectively.

6. REVIEW BY THE AUDIT COMMITTEE

The responsibilities of Audit Committee include the following:

- a) Ensure there are established policies and procedures in place for the purposes of identifying, evaluating, approving, reporting and monitoring all COI situations. This is to ensure that:
 - i. there will be standard treatment of COI;
 - ii. all COI situations are dealt with and addressed expeditiously; and
 - iii. the role, responsibilities and accountability of relevant parties in dealing with and resolving COI are outlined clearly.
- b) To review and report to the Board of Directors, any COI or potential COI situations that arose, persist or may arise within the Company and/or Group including any transaction, procedure or course of conduct that raises questions or management integrity during the financial year together with the measures taken to resolve, eliminate or mitigate such conflict.

In reviewing the COI, the Audit Committee should consider the following factors:

- i. The nature and potential duration of COI situations, and the impact on the Group; and
- ii. Controls in place/corrective actions to be taken – to ensure the Conflicted Director or Conflicted Employee does not abuse his or her power to gain an unfair advantage.

7. RETENTION OF RECORDS

The COI documents as mentioned in Paragraph 5(a) must be kept by the Group for at least seven (7) years from the date of resolution, meeting or decision, as the case may be.

8. BREACH OF POLICY

Failure to disclose a COI situation, provide complete and accurate information on the COI or appropriately manage the COI is a breach of this Policy and could result in disciplinary action being taken by the Group.

9. REVIEW OF THIS POLICY

This Policy shall be reviewed periodically to assess its effectiveness and update any changes as and when required.

This Policy was adopted by the Board of Directors on 27 February 2024.