

## **CONFLICT OF INTEREST POLICY (“COI”)**

### **1. Introduction**

The Board of Directors of EI Power (“**the Company**”) is committed to maintaining the highest ethical standards and recognises that it must be seen at all times to be acting in accordance with the highest standards of governance. Accordingly, all Directors and employees, of the Company and all of its subsidiaries and associates are at all times expected to conduct themselves with integrity, impartiality and professionalism and to avoid any situation of conflict of interest that may arise in and during the performance of their duties.

The Company, its Directors and employees shall at all times adhere to the following with regard to conflict of interest: -

- a) Sections 218 & 221 of the Companies Act, 2016 (as amended or re-enacted from time to time);
- b) Chapter 4 of the Equity Guidelines issued by the Securities Commission (as amended from time to time);
- c) The Code of Conduct and Ethics of the Company;
- d) The Company’s Policy on Whistleblowing;
- e) This COI Policy;
- f) The relevant employee handbook and/or letter of employment/service contract, as applicable; and
- g) Any other applicable guidelines, laws, rules and regulations.

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

### **2. Purpose**

The purpose of this Conflict of Interest Policy (“**Policy**”) is to ensure that actual, potential and perceived conflict of interest are identified and managed effectively. It is intended to provide guidance on how to deal with conflict of interest situations as they arise.

### **3. Scope**

This Policy applies to the Company’s Directors, board of the Company’s subsidiaries and associates and to all employees (including employees on contract terms, temporary staff and those on internship or secondment) of the EI Power Group of Companies (which includes the Company and all its subsidiaries and associates). For the purpose of this Policy, employees include consultants engaged by the Group.

This Policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest may arise from their current or future activities. The Policy provides guidance on how to identify and declare all conflicts of interest, how to develop, implement and monitor actions to appropriately manage the conflict, and how to deal with breaches of this Policy. The

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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 judgement and comply with the spirit of this Policy and not just the letter of the Policy.

#### **4. Definitions**

**“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.

**“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.

**“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 and
- e) It also includes adopted family members and anyone else that has close ties and is considered as a family by the person.

**“HOD”** means Head of Department.

**“EDO”** means Executive Directors Office.

**“Material”** in relation to shareholding means equity ownership of 5% or more.

#### **5. Identifying Conflict of Interest**

In general, a conflict of interest would arise where a person’s ability to perform his/her duties effectively and impartially is potentially impaired by personal interests, considerations or relationships.

Generally, conflict of interest may be described under the following broad categories:

**(a) Equity ownership in entities having a business relationship with the Company or with any member of the Group**

This is where a Director or an employee holds shares in privately owned entities having a business relationship with the Group, 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 the Group 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 (including loose partnership) or other forms of beneficial interest in entities having a business relationship with the Company or the Group.**

This applies to situations where a Director or employee holds a position or has an interest in entities having a business relationship with the Group. An example would be where an

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employee of the Company is a Director of a company supplying materials to the Company. Such situations would result in a conflict of interest.

**(c) Other employment, business appointments or undertakings**

A conflict of interest may arise where employees hold other part time employment or have other business appointments or undertakings. An employee is expected to devote his/her time, attention and commitment during work hours to his/her job duties within the Group. A conflict of interest can also arise where participation in any business activity outside working hours demands excessive time and attention from the employee, thereby depriving the company of the employee's best effort on the job or resulting in a negative impact on performance.

**(d) Personal relationships**

A conflict of interest would exist if a family member of an employee has a reporting relationship with the employee. An employee should not be in the same department/division as a family member, and should not directly or indirectly supervise, or be in a position to influence the hiring, work assignments or assessments of the family member. A conflict of interest would also arise if a director or an employee has a family member with an interest (e.g. in the form of ownership, directorship, partnerships, employment, etc.) in entities which have a contractual agreement with the Company or any member of the Group. An example would be where an employee's spouse is working in a company providing consultancy services to the Company or any member of the Group. This also applies to situations where a family member of an employee is working in a company bidding for a project to be awarded by the Company or any member of the Group, although there is no contractual arrangement yet.

**(e) Contractual dealings with employees**

This refers to situations where the Company or any member of the Group 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 not occur except in exceptional circumstances.

**(f) Dealings with competitors**

If a Director, employee or family member of a Director or employee has financial or other interests or any involvement in the business of a competitor, or holds a directorship in a competitor, such a situation would give rise to a conflict of interest. This does not apply to the holding of publicly quoted shares of competitor companies, unless such holding is considered to be material and the interest is likely to impair the objectivity of the Director or employee concerned. If an employee has accepted employment with a competitor, this could also result in a conflict of interest during the period which the employee is still employed within the Company or the Group, especially if the employee is dealing with sensitive or confidential information. As such, the conflict of interest must be declared immediately upon acceptance of employment with the competitor to enable the Company to take the necessary actions to manage the conflict and mitigate risks.

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**(g) Involvement in activities where the Director or employee concerned is the subject matter**

A conflict of interest arises if a Director or employee participates in activities where he/she is the subject of discussion or where the decision involves him/her. An example of this situation is where an allegation is made against a Director or employee through whistleblowing channel, and the Director or employee is part of the investigating team tasked with investigating the allegation.

**(h) Acceptance of meals or entertainment**

The acceptance of meals or entertainment may affect a Director's or employee's objectivity and judgement. It is the responsibility of the Director or employee to comply with the Group's Gifts, Entertainment and Hospitality Policy to ensure that nothing is received/given which might create a conflict of interest or bring their integrity into question.

**(i) Involvement in any political bodies and voluntary organisations that are political in nature.**

**6. General Responsibilities**

All Directors and employees 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 conflict of interest;
- b) Act with objectivity, integrity and independence, and exercise sound judgement and discretion;
- c) Avoid, wherever possible, situations giving rise to a conflict of interest as described in this Policy; and
- d) Immediately declare the conflict of interest in accordance with this Policy, remove themselves from the decision-making process and not seek to influence such decisions any further.

**7. Managing Conflict of Interest**

7.1 Any conflict of interest must be declared by filling up the Conflict of Interest Declaration Form ("the Form", please refer to **Appendix 1**). The conflict of interest must be escalated to the HOD 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.

7.2 The completed Form shall be forwarded to Managing Director's Office by the HOD of the person with the conflict for further action.

7.3 In addition to declaring the conflict of interest, appropriate steps must be taken to manage the conflict and mitigate the impact of the conflict on the decision-making process. Ideally, the conflict should be avoided together, e.g., by relinquishing the interest that gives rise to the conflict. However, there are circumstances where it may not be practical to totally avoid the conflict, in which case, appropriate actions must be taken, depending on the nature and severity of the conflict.

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7.4 Where the conflict is not likely to arise frequently, and the impact of the conflict is minimal, the participation of the person in the decision-making process should be restricted. The restriction should include, but is not limited to the following:

- a) Not participating in any critical criteria setting or decision-making role in the process.
- b) Refrain from discussions about the matter by the conflicting individual.
- c) Limiting access to information and denying access to sensitive documents or confidential information in the process.
- d) Abstaining from voting on the decision.

7.5 Where the conflict is ongoing and could have serious implications, the person with the conflict should be removed from the process, which includes the following:

- a) Abstaining from any involvement whatsoever in the matter.
- b) Rearranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the conflict.
- c) Transferring the person with the conflict to another project or another area of the Company.

**8. Monitoring Conflict of Interest**

8.1 EDO is responsible for monitoring conflicts of interest involving employees. Upon receiving the Form, EDO shall review the actions taken to address the conflict and decide, on a case-by-case basis whether such actions are appropriate and/or sufficient.

8.2 If EDO is of the view that actions taken by the person with the conflict or the HOD are not sufficient to manage or address the conflict, further action shall be recommended by EDO.

8.3 In the event of a dispute between the person with the conflict or his/her HOD and EDO, the matter shall be escalated to Audit Committee Chairman for a decision to be made. EDO shall be consulted if there are any doubts with regards to a conflict-of-interest situation.

8.4 For conflicts of interest involving employees, records of all conflict-of-interest declarations as well as other related documents such as documentation reflecting the mitigating actions taken shall be maintained. A copy of the Form shall be retained by the Human Resources Department for the duration of the personnel's employment. For the conflict of interest involving Directors, the Company Secretary shall maintain records of the declarations and any related documents.

8.5 The process for declaring, managing and monitoring conflict of interest involving employees is shown in Appendix 2.

**9. Breach of Policy**

Failure to disclose a conflict of interest, provide complete and accurate information on the conflict or appropriately manage the conflict is a breach of this Policy and could result in disciplinary action being taken by the Human Resource Department.

**EI POWER BERHAD**

(Registration No. 202501021195 (1622608-M))

(Incorporated in Malaysia)

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**10. Updates and Review**

This Policy will be reviewed and updated regularly, and any amendments will be immediately made available.

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**Appendix 1**

**CONFLICT OF INTEREST DECLARATION FORM**

I, \_\_\_\_\_ (“**the related party**”) hereby declare that an actual/potential Conflict of Interest to the Management of [*the employer company*] as follows: -

Category: - <input type="checkbox"/> Direct and/or indirect equity interest and/or financial interest in counterparty(ies) <input type="checkbox"/> Directorship, partnership (including loose partnership) or other forms of beneficial interest (direct and/or indirect) <input type="checkbox"/> Family member and close personal relationships <input type="checkbox"/> Contractual dealings <input type="checkbox"/> Involvements which are political in nature
Briefly describe the type of interest and the parties involved and enclose supporting documents: -          
Proposed actions to resolves/manage the conflict: -          

I hereby confirm that this is a true and 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 [*provide a brief title of the situation*]. I hereby undertake to provide the management with further updates and another relevant information as may be required by the management/relevant authorities.

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

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Name:

Position:

Signature:

Date:

**(APPROVAL BY EMPLOYEE'S HOD/ BOARD OF DIRECTORS)**

**In my opinion the details provided: -**

- do not constitute an actual/potential conflict of interest, and I authorize the employee/Director 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/ Director undertakes the following actions to eliminate/ manage the conflict: -**

**RECOMMENDATION BY HOD/ BOARD OF DIRECTORS**

Name:

Position:

Signature:

Date:

**Conflict of Interest Declaration Process Flow**

