



SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD
[198401019089 (131646-K)]
(Incorporated in Malaysia)

POLICY ON CONFLICT OF INTEREST FOR DIRECTORS AND EXCO

Version 1.0

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1. INTRODUCTION

Syarikat Takaful Malaysia Keluarga Berhad (“**Company**”) and its subsidiaries (“**Group**”) are committed to upholding the highest standards of integrity, transparency, and ethical conduct in all business operations. In line with this commitment, the Group has implemented comprehensive Conflict of Interest Policy to ensure that the Directors and Executive Committee (“**EXCO**”) act in the best interests of the Group and free from any personal, financial, non- financial or other conflicts that may compromise their judgment or impartiality.

This Conflict of Interest Policy (“**COI Policy**”) shall be read together with the Fit and Proper Policy and Procedures for Directors, Related Party Transactions Policy, Anti-Corruption Framework, Paragraphs 3.05 and 3.06 of Guidelines on Conduct of Directors of Listed Corporations and other related policies.

In formulating this Policy, the Group has taken into account the requirements outlined in the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), Capital Markets and Services Act 2007 as well as other relevant regulatory frameworks to ensure compliance with the imposed obligations.

2. OBJECTIVE

The primary objective of this COI Policy is to establish and maintain a robust framework consisting of well-defined processes and procedures that are diligently adhered to within the Group. This COI Policy aims to effectively identify, address, and manage a wide range of conflicts of interest or potential conflict of interest, including those that are actual, potential, or perceived in nature.

3. SCOPE AND APPLICATION

- 3.1 This COI Policy outlines the framework and the processes for purposes of preventing any conflicts from influencing or compromising objectivity and impartiality of business operations, as well as to safeguard reputation and credibility of the Company. It also serves as a guide to Audit Committee (“**AC**”) and Board of Directors (“**Board**”) of the Company/Group in discharging their role, which is to provide oversight and review the COI situations that arose persist or may arise within the Group.
- 3.2 This COI Policy applies to all Directors and EXCO who is in a situation of actual or potential conflict, who must complete the COI Declaration Form.
- 3.3 This COI Policy applies whenever COI is identified by Director and EXCO or should reasonably be anticipated from their current or future activities. This COI Policy provides guidance on:-

- (a) Recognising and disclosing actual or potential COI; and
- (b) Creating, executing, and overseeing strategies to appropriately handle conflicts.

3.4 The scope is extensive, encompassing a wide range of activities that could give rise to COI. Although COI Policy cannot possibly account for every conceivable situation, Directors and EXCO are expected to exercise sound judgment, adhering to the intent of this Policy.

4. IDENTIFICATION OF CONFLICT OF INTEREST CIRCUMSTANCES AND SITUATIONS

4.1 A COI situation arises when a Director and EXCO's ability to carry out their responsibilities is compromised or potentially compromised by personal interests, concerns, or relationships.

4.2 Generally, COI may be described under the following, whereby the list is non exhaustive:

(a) Equity ownership in companies having a business relationship with the Group

Director and EXCO who has ownership of shares in privately-owned companies having a business relationship with the Group, either directly or indirectly e.g. through family member. However, this COI Policy does not extend to shares held in publicly quoted companies that have a business relationship with the Group unless the holding is considered substantial and could potentially compromise the Director's/EXCO objectivity.

(b) Having interest in Person, Entity or Contract that has dealing with the Group

Any direct or indirect financial or other interest in a person, entity, or contract that has dealings with the Group, where such interest could potentially influence decisions regarding the Group's dealings with said person, entity or contract.

(c) Directorships in Common

Holding multiple roles, including being a Director and/or Management of another company which may lead to disclosure of confidential information obtained by reason of being a Director/Management of one company to another company of which he/she is also a Director and/or Management.

(d) Personal Use of the Group's Assets

Unauthorised personal use of the Group's assets, resources, or information, without prior approval from the Chairman of the Board and, in the case involving the Chairman, approval from the Board.

(e) Personal Gain through Business Related Opportunities with the Group

Director and EXCO pursues personal gain related to the Group's business, utilising the Group's property, information, or position for personal gain, and engaging in any form of competition with the Group for business opportunities.

For the purpose of this Policy, “Family Member” refers to Director and EXCO’s spouse, parent, child including adopted child and step child, brother and sister.

5. DISCLOSURE REQUIREMENTS AND PROCEDURES

5.1 Any situation involving COI, whether direct or indirect, actual or potential, must be declared and notified to the Company Secretary immediately after the relevant facts have come to the Director and/or EXCO’s knowledge. A conflicted Director and/or EXCO may at any time declare a COI or duty in relation to a matter by notifying the Company Secretary in writing of the existence of actual or potential COI and providing the Company Secretary with such information as will reasonably allow an informed assessment to be made by the other non-conflicted Directors.

5.2 If the COI matter is being deliberated at the Board meeting, the conflicted Director and/or EXCO shall provide written notice to the Board and the Company Secretary before the commencement of the meeting. The Company Secretary then presents the said COI matter to the Board for discussion.

5.3 Identification by the Conflicted Director/EXCO (Self Declaration)

(a) Where a conflicted Director/EXCO has disclosed the COI matter as required under this Policy, the Conflicted Director/EXCO:-

- i. Shall declare nature of his/her interest at Board meeting;
- ii. Will continue to receive Board papers or other information in relation to COI matter, unless the Chairman or the Board determine otherwise;
- iii. Shall be excused from any part of the Board’s discussion and/or Board Committee’s meeting for the duration during the matter’s discussion; and
- iv. Shall not vote on the matter.

(b) If majority of non-conflicted Directors resolve that the disclosed interest should not disqualify a Conflicted Director/EXCO from being present while the COI matter is being considered, then Clauses 5.3(a)(iii) of COI Policy shall not apply. The Conflicted Director may be present only to make the quorum counted at the Board meeting but shall not participate and vote in any discussion while the COI matter is being considered during the Board meeting in pursuant to Section 222 of the Companies Act 2016 (“**CA 2016**”).

5.4 Identification by the Board or Others

- (a) In the event that any COI matter is anticipated or brought before the Board by the Chairman, Directors or any other concerned party that has a concern that disclosure of such a matter to a particular Director would not be in the best interests of the Group and/or place that particular Director in a position of conflict, the COI matter shall be referred to the Chairman of the Board for further investigation.
- (b) The Chairman, in consultation with Independent Director and/or the Company Secretary, will conduct a thorough assessment to determine if the Conflicted Director is indeed facing a COI situation. In such circumstances, the Conflicted Director:-
 - i. Will not be provided with any Board papers or information related to the COI matter;
 - ii. Shall be excused from participating in any part of a Board or Board Committee meeting during discussions on the COI matter; and
 - iii. Shall not vote on the COI matter.

5.5 To further strengthen the COI disclosure process, all Directors/EXCO are required to make an annual declaration of COI or potential COI via the **Annual Declaration Form of Conflict of Interest by Director/EXCO** as set out in **Appendix** of this Policy.

For the purpose of this Policy, “Conflicted Director/EXCO” means a Director/EXCO whose personal interest either have or may potentially conflict with his/her duty to act in the Company’s best interest. “Non-Conflicted Director” means any Director who is not a Conflicted Director.

6. GENERAL RESPONSIBILITIES OF DIRECTORS/EXCO

All Directors/EXCO of the Group bear the responsibility of identifying and managing COI. The general responsibilities of Directors/EXCO are as follows:-

- (a) **Disclosure:** Directors/EXCO should disclose any actual or potential COI they may have with the Group. This includes financial or non-financial interests, relationships, or affiliations that could affect their impartiality in decision-making.
- (b) **Fiduciary Duty:** Directors/EXCO have a fiduciary duty to act in the best interests of the Group and its shareholders. This duty supersedes any personal interests, and Directors/EXCO should make decisions with the Group’s welfare as the top priority.
- (c) **Compliance:** Directors/EXCO shall comply with this Policy and other relevant policies and guidelines concerning the identification, documentation, escalation, and management of COI.

- (d) **Transparency:** Directors/EXCO shall avoid, whenever possible, situations or decision which could give rise to COI and promptly declare any COI in accordance with this Policy, abstaining from decision-making process and refraining from attempting to influence such decisions any further.
- (e) **Ethical Conduct:** Act honestly, with integrity and transparently, while exercising sound judgment and discretion in their actions.

7. MAINTENANCE OF RECORDS

- 7.1 The Annual Declaration Form of Conflict of Interest by Directors and EXCO will be securely maintained by Corporate Affairs Division. Company Secretary shall record each instance of COI disclosure made by the Conflicted Director and EXCO in the minutes of meeting during which the declaration was submitted. In cases where the declaration is made outside of meeting times, the disclosure will be documented in the minutes of the subsequent meeting.
- 7.2 Corporate Affairs Division shall ensure proper maintenance and retention of documentation to facilitate scrutiny of the COI matter by regulators or auditors. Such documentation should be readily accessible to regulators and other relevant parties.

8. COMPLIANCE

- 8.1 Directors and EXCO are obligated to adhere to all COI requirements as stipulated in this Policy along with any requirements set forth by MMLR of Bursa Securities or other relevant regulatory guidelines. Furthermore, should a Director and EXCO's interest leads to a Related Party Transaction, they must also adhere to the Company's Related Party Transactions Policy, in addition to meeting any requirements specified by MMLR of Bursa Securities or other applicable regulatory guidelines.
- 8.2 Any breach or non-compliance with this Policy will be subject to appropriate internal disciplinary action and applicable civil and criminal liability.

9. REVIEW

- 9.1 Audit Committee's (AC) role entails assessing any actual or potential COI situations that arose, persist or may arise within the Group. AC shall propose with the measures to resolve, eliminate, or mitigate the COI situations and report its findings to the Board.
- 9.2 AC shall review and reassess the adequacy of this Policy periodically and make such amendments to this Policy as it may deem appropriate. All reviews by AC are reported to the Board for further action.

10. RESOURCES

Corporate Affairs Division will provide guidance, education and procedures for implementing this Policy, including requirements for reporting, monitoring and review.

11. MODIFICATIONS

The Company reserves the rights to modify or amend this Policy at any time as it may deem necessary in order to align the Policy with the relevant regulatory frameworks.

Adopted by the Board: 23 November 2023

• Policy on Conflict of Interest for Directors and EXCO

**ANNUAL DECLARATION FORM OF CONFLICT OF INTEREST
BY DIRECTORS AND EXCO**

This Form is required to be completed in respect of all Directors and EXCO of Syarikat Takaful Malaysia Keluarga Berhad (“Takaful Malaysia Keluarga”) and its subsidiaries (“Takaful Malaysia Group”) who has held office as at 31 December 2023.

Kindly indicate (√) on the check boxes.

NO.	CONFLICT OF INTEREST SITUATIONS	Please indicate with atick (√)	
		YES	NO
1.	Do you or a person connected to you have a substantial direct or indirect ownership interest or other relationship with a company, firm or organisation that is currently having business dealings with Takaful Malaysia Keluarga and/or Takaful Malaysia Group or that serves as a competitor or customer to Takaful Malaysia?		
2.	Do you hold a position as a director, advisory member, limited partner, trustee, or any other authoritative role that could exert influence, whether directly or indirectly, over any organisation, firm, or company that might, in turn, engage in a direct or indirect competition with any of the businesses under the purview of Takaful Malaysia and/or the Takaful Malaysia Group?		
3.	Do you or a person connected to you utilised Takaful Malaysia and/or Takaful Malaysia Group’s assets, resources or information for personal use without obtaining prior approval from the Chairman of the Board or the Board or not as part of the approved Board reimbursement?		
4.	Do you or a person connected to you exploited personal opportunities linked to the businesses of Takaful Malaysia and/or the Takaful Malaysia Group’s, by utilising property, information, or your position for personal gain, or engaged in competing with Takaful Malaysia and/or the Takaful Malaysia Group’s for business opportunities?		
5.	Are there any additional interests, activities, investments, or involvements that you believe should be disclosed to ensure a comprehensive account of any actual, apparent or potential conflicts of interest?		

* In cases where you have indicated 'YES', please provide comprehensive details regarding your interests such as the company name, number of shares, percentage of shareholding, the nature of the relationship, or any other pertinent information. Additionally, kindly furnish the corresponding supporting documents as needed.

No.	* Explanation for items indicated 'YES'

Definition:

Person connected under Paragraph 1.01 of MMLR of Bursa Securities means such person (referred to as “said Person”) who falls under any one of the following categories:-

- (a) a family member of the said Person includes (i) spouse (ii) parent (iii) child including adopted child and step-child (iv) brother or sister and (v) spouse of child, brother or sister;
- (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
- (c) a partner of the said Person;
- (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
- (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (g) a body corporate which is a related corporation of the said Person.



Syarikat Takaful Malaysia Keluarga Berhad

- **Policy on Conflict of Interest for Directors and EXCO**

Name:

NRIC/Passport No...... do hereby solemnly affirm and declare the following:-

- (i) I agree to comply with the Conflict of Interest Policy of Takaful Malaysia.
- (ii) I agree to promptly notify the Chairman/Board and/or Company Secretary of Takaful Malaysia regarding any modifications in my responses to the aforementioned questions that may arise due to alterations in circumstances.
- (iii) I agree to report any additional financial interests, situations, activities, interests, or conduct that may arise before the completion of the next annual disclosure.
- (iv) The information contained in this Annual Declaration Form of Conflict of Interest by Directors and EXCO is true and accurate to the best of my knowledge and belief.

Signature

Name :

Position:

Date of Declaration :