
CODE OF CONDUCT AND BUSINESS ETHICS POLICY

A code of conduct to guide the Directors and any other employees at executive level and above (hereinafter referred as “employees”) of Cabnet Holdings Berhad and its Group of Companies (hereinafter referred as “the Company”) as to the practices necessary to maintain confidence in the Company’s integrity and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices shall be outlined in the letter of appointment.

The Board aims to ensure that all Directors and any other employees act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

1) POLICY ON SHARE TRADING

As a general policy, all Directors and employees of the Group are discouraged from engaging in speculative trading (as opposed to investing) in the Company’s listed securities, and are reminded to observe the prohibitions imposed on “insiders” in relation to Insider Trading under the Capital Markets and Services Act 2007.

All Directors and key management personnel, identified and designated by the Chief Executive Officer/Deputy Chief Executive Officer pursuant to the Board’s Corporate Disclosure Policy (“designated key management personnel”) are required to comply with Bursa Malaysia Securities Berhad’s Listing Requirements on Dealings in Listed Securities under Chapter 14.

The designated key management personnel, must notify the Chief Executive Officer/Deputy Chief Executive Officer/Chief Financial Officer in writing of any dealing in securities of the Company within 3 market days from the date of trading.

All Directors and designated key management personnel are prohibited from dealing in the Company’s listed securities when they possess material inside information* which has not been made known to the investing public.

* Material Inside information is information which is reasonably expected to have a material effect on:

- the price, value or market activity of the Company’s listed securities, or
- the decision of a holder of the Company’s securities or an investor in determining his choice of action.

2) ANTI-BRIBERY POLICY

The Company recognises that over and above the commission of any crime, any involvement in bribery will reflect adversely on its image and reputation. Its aim therefore is to limit its exposure to bribery by:

- Setting out a clear Anti-Bribery policy (refer to Appendix A);
- Increase awareness of employees so that they can recognise and avoid the use of bribery by themselves and others;

- Encouraging its employees to be vigilant and to report any suspicion of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- Rigorously investigating instances of alleged bribery and assisting the police and other appropriate authorities in any resultant prosecution;
- Taking firm and vigorous action against any individual(s) involved in bribery.

Appropriate disciplinary action shall be taken against the employee who does not act according to the policy. The prevention, detection and reporting of bribery or corruption is the responsibility of all persons within the Company.

3. CONFLICT OF INTEREST

While the Company has no wish to interfere in any employee's outside activities, the Company has established Conflict of Interest policy (refer to Appendix B) to sets out the framework and appropriate controls and measures to ensure systematic identification and management of such conflict of interest in an effective and timely manner.

This Code of Conduct and Business Ethics Policy was approved and adopted by the Board on 23 February 2018.

This Code of Conduct and Business Ethics Policy was revised and last reviewed on 30 June 2023.

CODE OF CONDUCT & BUSINESS ETHICS POLICY

Appendix A – Anti-Bribery Policy

1 Policy Statement

CABNET (CabNet Holdings Berhad and/or any of its subsidiary companies, jointly or individually) applies “**Zero Tolerance**” against all elements related to Bribery and Corruption.

CABNET’s Anti-Bribery Policy presents the commitment of CABNET from its top level executives downwards in promoting a corporate culture of transparency, integrity and honesty in the conduct of its operations and activities legally and ethically.

“**Bribery**” - Bribery is the offering, promising, giving, solicitation or the receipt or agreement to receive any financial or other advantage, or any other inducement, or “**gratification**” (as defined and interpreted under Sec 3 of **the Malaysian Anti-Corruption Commission Act 2009**) from any person or company, (wherever they are situated and whether they are a public official or body, or a private person or company) by an individual employee, agent or other person or body acting on another’s behalf.

“**Corruption**” - Corruption is the abuse of entrusted power for a private gain.

This Policy is intended provide the principles and guidelines on how to deal with instances of activities which may constitute bribery and corruption practices.

2 Scope

CABNET’s Anti-Bribery Policy is applicable to all employees of CABNET, including its Executive and Non-Executive Directors, Senior Management, Management, Executives, Non-Executives, contract staffs and other individuals who are hired and or directly paid by CABNET.

It is also intended to apply to all CABNET’s contractors, suppliers, vendors, distributors and other third parties who carry out work or services for or on behalf of CABNET as well as customers and agents of customers who utilises CABNET’s services. All such parties are expected to adhere to CABNET’s Anti-Bribery Policy.

All employees of CABNET are required to follow the guidelines and standard operating procedures as set by the company’s **Anti-Bribery and Anti-Corruption Committee (“ABACC”)**.

3 Top Level Commitment

In order to ensure that CABNET comply with its Anti-Bribery Policy, top level management will spearhead the Group's efforts by carrying out the following:

3.1 Anti-Bribery and Anti-Corruption Committee ("ABACC")

CABNET will establish an Anti-Bribery Anti-Corruption Committee comprising senior members of the management.

The first members of the ABACC will comprise of the following:

- (a) Deputy Chief Executive Officer (Chairman)
- (b) Operations (Central) – Chief Operating Officer (Deputy Chairman)
- (c) Operations (Southern) – Head of Projects and Sales
- (d) Finance – Group Finance Manager
- (e) HR and Admin – Head of HR and Admin
- (f) Business Development – Head of Business Development

The **Chief Executive Officer (CEO)** of CABNET may increase or decrease the number of members of the ABACC as deemed appropriate.

The ABACC will be responsible for reviewing, deliberating and where appropriate recommending or making a decision on any matters relating to bribery and corruption by or involving employees of CABNET.

If any matters relate to any member(s) of the ABACC, that member(s) shall abstain completely from deliberating or making any decision on such matter.

The ABACC will meet at least once every 3 months and summarise its work done.

Should there be any findings requiring further actions to be taken, the ABACC may report to the **Audit and Risk Management Committee ("ARMC") / Board of Directors ("BOD")**.

3.2 Board of Directors ("BOD")

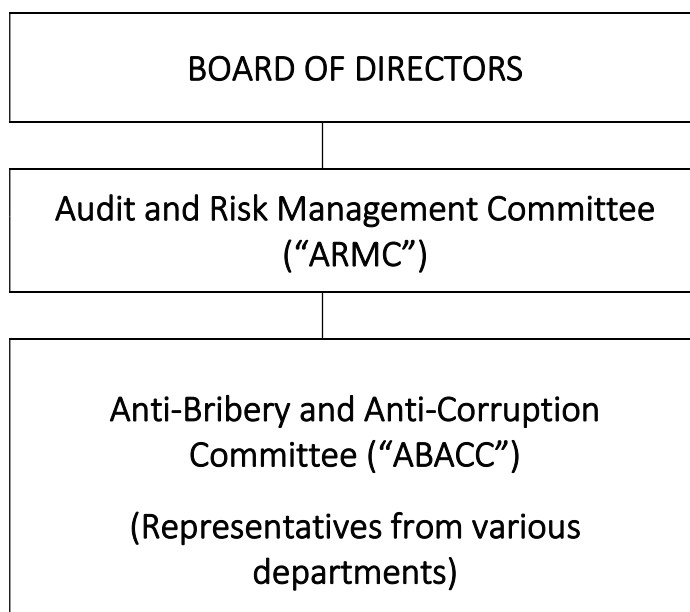
The BOD is responsible for overseeing the overall implementation of **CABNET's Anti-Bribery Policy** including the risk tolerance and related initiatives, controls or programs via the **ABACC** as well as the management team.

The BOD will address any bribery and or corruption issues that have been brought to their attention through the Group's **Whistle Blowing Policy** or from individual knowledge of any such issues and all matters brought to its attention from the ABACC.

The ABACC will review CABNET Anti-Bribery Policy yearly or as required by any legislation and propose any updates for the BOD’s approval.

3.3 Authority and Reporting Lines

The Authority and Reporting Lines for CABNET Anti-Bribery Policy is as shown in the following structure:



3.4 Reporting channels

Any reports on Bribery or Corruption practices can be made to any of the members of the ABACC listed under Clause 3.1 by phone calls to **07-353 9008 (Ext. No. 106 / 108)** or email to abacc@cabnet.asia or through the avenues provided for under **CABNET Whistle Blowing Policy**. These reports received will be addressed by the ABACC within 72 Hours according to the procedures illustrated on page 12.

4 Risk Assessment

CABNET perform periodical risk assessment of all critical areas as part of their ISO 9001 procedures. These risk assessment are performed every quarter and presented to the BOD’s Audit Risk Management Committee (“ARMC”) during their quarterly meetings and covers Internal and External issues areas.

Effective from the 2nd Quarter of 2020, these risks assessments will include risks of bribery and corruption including opportunities for bribery and corruption, weaknesses (if any) in CABNET’s governance framework and internal systems and procedures.

In addition, the ABACC will perform continuous monitoring activities of the various functioning departments in addition to the bribery and corruption risk assessments undertaken.

5 Undertaking Control Measures

CABNET has implemented the following measures to promote anti bribery culture within the organisation such as:

- 1 All employees have to sign a declaration of their holding of significant interest in suppliers, customers or competitors as required under CABNET **Code of Conduct and Business Ethics Policy** on “**Conflict of Interest**”.
- 2 Employees are not allowed to conduct any other business which may conflict with their work or can give rise to corrupt practises as required under CABNET **Code of Conduct and Business Ethics Policy** on “**Outside Work**”
- 3 CABNET has written to their customers, suppliers and other related external parties of their Code of Conduct and Anti-Bribery policies requesting them to acknowledge and abide by CABNET **Code of Conduct and Business Ethics Policy** which includes its **Anti-Bribery Policy**.

Other measures undertaken by CABNET include due diligence processes on employees, customers, contractors, suppliers, vendors, distributors and other third parties. Such processes may include CTOS and background checks, verification of various documents including statutory and financial forms, interviews and site visits.

6 Systematic Review, Monitoring and Enforcement

All employees are encouraged to report to management if they are aware of any corrupt practices taken place or suspected to have been taken place.

The ABACC will undertake auditing of the compliance of the CABNET Anti-Bribery Policy at least once a year and report any findings to the ARMC/BOD.

Actions, disciplinary, legal or otherwise may be taken against employees, customers, contractors, suppliers, vendors, distributors and other third parties who are found to be non-compliant to CABNET Anti-Bribery Policy.

CABNET Whistle Blowing Policy protects the whistle blower. Where reports are made to management, these will be treated with the same as the Whistle Blowing Policy procedures.

7 Training and Communication

CABNET Code of Conduct and Business Ethics Policy including its Anti-Bribery Policy and Whistle Blowing Policy are available for viewing on the Group’s website www.cabnet.asia.

Staff are briefed on CABNET's Anti-Bribery Policy upon recruitment and sign off their understanding and acceptance of CABNET Code of Conduct & Business Ethics Policy.

During the beginning of the year operational “**Kick Off**” meeting, managers are reminded of the Policy which they are to relate to their department staff. Training and other materials shall be provided during such sessions.

Customers, contractors, suppliers, vendors, distributors and other third parties will be notified of any updates of the Company's Anti-Bribery Policy through email or other channel which may be appropriate.

Directors and senior management have been informed of the consequences and penalties under the Malaysian Anti-Corruption Commission Act 2009. A new section, Section 17A (Offence by Commercial Organisation) comes into force on 1st June 2020.

8 Guidelines and Procedures

8.1 Gifts Policy – “No Gift” Policy

- 8.1.1 CABNET has adopted a “**No Gift**” policy whereby, except from exceptions as stated in Section 8.4, all employees, their family members or agent acting for or on behalf of the Group are prohibited from directly or indirectly receiving or providing gift.
- 8.1.2 It is the responsibility of employees to inform the external parties who are involved in any business dealings with CABNET that the Group practices a “**No Gift**” Policy.
- 8.1.3 There are certain types of gifts which are **never permissible** and employees should immediately refuse if it includes the following:
 - (a) Any gifts of Cash.
 - (b) Any gift that would be illegal or in breach of local or foreign anti-bribery and anti-corruptions laws.
 - (c) Any gift which is lavish or excessive i.e. valued above the maximum threshold permitted as listed on pages 10 and 11, by the Group or which may be deemed to have an adverse effect on the reputation of CABNET.
 - (d) Any gift that comes with a direct or indirect suggestion, hint, understanding or implication that in return for the gift, some expected or desirable action or outcome is required from the employee or CABNET.
- 8.1.4 Due to the sensitivity of the matter, no gifts are permitted to be given to or received from any relevant parties (to the tender) during tender submission, one month prior to and after (“**Closed Period**”) the closing date for submission of tender documents date, unless such period coincides with festive seasons such as Hari Raya, Chinese New Year or celebratory occasions. In these instances, prior approval must be obtained from the CEO.

8.2 Receiving Gifts

The directors are aware that in certain situations especially where the giving of gifts is part of business etiquette, the receiving of gifts can be a very sensitive matter so as not to be disrespectful or give a wrong impression to the giver.

Upon presented with a gift, employees are to immediately explain to the giving party the Group's "No Gifts" Policy and politely refuse or return such gifts. However, where it appears that the giver insist on giving, employees may accept the gift on behalf of the Group.

Under receiving any gifts, employees are expected to immediately or within three working days from receiving the gift to record the gift in the **Entertainment / Gift Form** and submit to their Head of Department ("**HOD**") and Head of Human Resource.

The ABACC who will decide whether to accept or return the gift.

Any gifts returned must be done in a polite manner by the HOD accompanied with a note of explanation about the Group's "No Gift" policy.

In the event the gift is retained, the ABACC will determine the treatment of the gift i.e. whether to:

- a) Donate the gift to charity; or
- b) Hold it for department display; or
- c) Share with other employees in the department; or
- d) Permit it to be retained by the employee.

The procedures for receiving gifts are illustrated in the procedures on page 10.

8.3 Providing Gifts

Generally employees are **not** allowed to provide gifts to third parties unless with the approval of their HOD / Executive Director / Chief Executive Officer. Certain types of gifts which are not allowed is referred to under Section 8.1.3.

The frequency of providing gifts and amounts should also be taken into consideration. Employees should not provide gifts to the same party more than an aggregate value per year of **RM2,500.00** unless with the prior approval of the CEO.

The procedures for providing gifts are illustrated in the procedures on page 11.

8.4 Exceptions to the "No Gift" Policy

Any gifts or contribution done during the Group's corporate function e.g. annual dinner, family day, appreciation dinner, etc. will not be regarded as bribery and is acceptable. However, the value of the gift or contribution should not be lavish or extravagant.

Although generally the Group practices a "No Gift" Policy, there are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted in the following situations:-

- a) Exchange of gifts at Company-to-Company level (e.g.: gifts exchanged between companies as part of an official business visit / courtesy call and thereafter the said gifts will be treated as Company property;
- b) Token gifts (RM100.00 or below per item) which normally bears the company name, logo, or trademark (e.g. t-shirts, pens, diaries, calendars, door gifts for company events and other small promotional items) that are given out to customers, suppliers, partners and key stakeholders attending events as part of the Group's brand building, sales or promotional activities, investors/ analyst briefings or general meetings; and
- c) Gifts to external parties (in cash, cash equivalent or gifts in-kind to welfare homes, charitable organizations, NGO's, etc.) who have no business dealings with CABNET and whose primary activities are in line with CABNET's corporate social responsibilities, sustainability initiatives and corporate values.
- d) Sponsored events by principals in connection with improving technical skills or launching of new products.

8.5 Entertainment

CABNET recognizes that giving or receiving entertainment is a legitimate way of business networking, developing business relationships and to foster good business relationship with external parties. Eligible employees are allowed to entertain external parties through a reasonable act of hospitality with the approval of their HOD.

Upon giving entertaining or receiving any entertainment, employees are expected to immediately or within three working days from such to record the entertainment in the **Entertainment / Gift Form** and submit to their Head of Department ("**HOD**") and Head of Human Resource.

The procedures for giving or receiving entertainment are illustrated in the procedures on page 10 and 11.

Employees and Directors are strictly prohibited from providing or offering to provide entertainment with a view to improperly cast undue influence on any party in exchange for future benefits or results.

Certain types of entertainment activities are prohibited and employees should immediately refuse if it involves the following:

- a) Any provision of entertainment activity with a direct / indirect suggestion, hint, understanding or implication that a desired expectation, return or outcome is required.
- b) Any entertainment activity that is unethical, immoral, illegal or in breach of local or foreign anti bribery laws.
- c) Any entertainment activity that would be perceived as extravagant, lavish and excessive or may adversely affect the reputation of CABNET. The limit for entertainment, apart from those of the Executive Directors ("**ED**"), is restricted to a maximum of RM500.00 per headcount per event. Any amount exceeding this threshold requires the approval from the Chief Executive Officer.

- d) Any entertainment activity that is sexually oriented, contains religious, racist or political overtones or may otherwise tarnish the reputation of CABNET.

8.6 Corporate Hospitality and Sponsored Travel Trips

Defined as “corporate events or activities organized by a company in the Group which involves the entertainment of employees and third parties for the benefit of the Company or the Group”. Corporate events and activities include but are not limited to dinners, concerts or other activity based events such as golf tournaments, marathons, sporting events, etc. Sponsored travel trips include trips organised by principals and suppliers including trips related to training and introduction of products and new technology.

Corporate hospitality and sponsored travel trips (“**Corporate Hospitality**”) are recognized as a legitimate and ethical way to network and build goodwill in business relationships. Employee must exercise proper care and judgment before providing to or accepting corporate hospitality from third parties. Any corporate hospitality activity that would include or involve governmental departments or officials requires the prior approval from the Chief Executive Officer.

Corporate hospitality activities shall not be permitted and should be turned down / refused if it involves illegal and unethical activities, that are overly lavish, extravagant or which involvement may adversely affect the reputation of CABNET. Any corporate hospitality activity that may be immoral, sexually oriented, contains undue religious or political overtones or may otherwise tarnish CABNET’s reputation should be immediately declined. However support for religious and cultural events that is in line with the Group’s sustainability policy, corporate social responsibilities and corporate values is permissible.

The spending limit for corporate hospitality events is RM100 per headcount per event. Any amount exceeding this threshold shall require the prior approval of the Chief Executive Officer.

8.7 Sustainability and Corporate Social Responsibility / Donation / Sponsorship

As part of CABNET's commitment to Sustainability and Corporate Social Responsibility (“**CSR**”) activities, the Group may provide such financial assistance or contributions in kind as may be appropriate in each circumstances. All charitable donations, contributions and sponsorship, provided by CABNET must be compatible with our business activities and in line with our Sustainability Policy and reflect the Group’s values and ethics.

Charitable donations or sponsorship can only be made to properly established / registered charities or organizations where:

- There is a valid charitable purpose/cause for the donation and the donation or sponsorship is ethical or not prohibited by local laws;
- The donation or sponsorship is not made to secure an improper business advantage;
- The transaction is properly recorded as a 'donation' or 'sponsorship'.

CABNET shall not make any manner of political donations and must take the necessary steps to ensure that the Group is not implied, whether directly or indirectly, to be supporting or is in any way affiliated/associated with any political party, political candidate (independent or otherwise), or with any other organization including non-governmental organization (“NGO”) whose activities are primarily political or advocacy of matters of a political nature. To avoid any doubts, the charter of these organizations that the Group intends to support shall be reviewed by the ABACC and may at the Committee’s discretion, be referred to the Chief Executive Officer for a final decision.

Employees are free to make personal donations provided such payments are not purportedly to be made on behalf of the Group and are not to obtain any form of advantage in any business transaction involving CABNET.

8.8 Kickback Payments

Kickback payments are typically payments made in return for a business favour to secure contracts or orders or obtain improper advantage in business transactions. All employees must avoid any activity that might lead to kickback payments. Any form of kickback payments must be rejected.

All incidences of such kickback requests must be immediately reported to the ABACC Committee.

8.9 Financial and Non-Financial Controls / Record Keeping

The Group Finance Manager shall implement and administer financial and accounting controls related to such payments and these controls should be designed to detect and prevent improper payments under anti bribery laws and provide reasonable assurance on the accuracy of all financial records with respect to such payments. All accounts, invoices and other documents and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness and properly stored for easy future reference.

All gifts, entertainment and hospitality, as well as promotional or marketing payments, charitable contributions, donations and sponsorships must be properly declared, approved and recorded. A summary of the non-compliance activities will be reported to the ABACC quarterly or whenever necessary and subsequently reported to the Chief Executive Officer for action.

CABNET has also implemented non-financial controls such as **Limits of Approval Matrix (“LOAM”)** to govern all functioning departments, background checks on customers, contractors, suppliers, vendors, distributors and other third parties.

The Internal audit work cycles performed by CABNET’s outsourced Internal Audit function which is based on the Internal Audit Plan approved by the ARMC and any subsequent approved amendments thereof may include compliance audits relevant to this policy.

Receiving Entertainment / Gift Procedures

| Responsibilities | Flowchart | Records |
|-------------------------|---|--|
| Employee / HOD | <pre> graph TD A[Entertainment/Gift offered by Third Party] --> B{Accept?} B -- No --> C[End] B -- Yes --> D[Register entertainment /gift with HR] D -- No --> E[Reported] E --> F[ABACC Investigation/ disciplinary action] D -- Yes --> G[ABACC to decide on further action to be taken, if any] </pre> | Entertainment / Gift Form |
| Employee / HR personnel | | ABACC minutes/ Warning letter, etc |
| ABACC | | Entertainment / Gift Received Register |

Note:

- 1 Gifts include Hospitality (events), Sponsored travel tickets/trips (training or otherwise), credits to accounts, vouchers (discount or otherwise).
- 2 Entertainment include meals and or drinks provided, company functions (annual dinners, etc)
- 3 Threshold amounts for the above are as follows:
 - (a) Gifts to company during occasions (Eg. Hampers)
 - By Executive Directors : RM2500
 - By other employees : RM500
 - (b) Individual gifts (Eg. Door gifts, promotional items, vouchers) : RM100
 - (c) Entertainment received per employee, excluding ED : RM500

(The rest of this page is intentionally left blank)

Giving Entertainment / Gift Procedures

| Responsibilities | Flowchart | Records |
|------------------|--|-------------------------------|
| Employee / HOD | <pre> graph TD A[Entertainment / gift given] --> B[Allowable entertainment?] B -- Yes --> C[Approved?] C -- Yes --> D[Fill in Entertainment / Gift Form] D --> E[ABACC to decide on further action to be taken, if any] </pre> | Receipts / Claim form |
| HOD | | Entertainment / Gift Form |
| Employee | | Entertainment / Gift Register |
| ABACC | | |

Note:

- 1 Gifts include Hospitality (events), Sponsored travel tickets/trips (training or otherwise), credits to accounts, vouchers (discount or otherwise).
- 2 Entertainment include meals and or drinks provided, company functions (annual dinners, etc)
- 3 Threshold amounts for the above are as follows:
- 4 (a) Gifts during occasions (Eg. Hampers)
 - By Executive Directors : RM2500
 - By other employees : RM500
- (b) Individual gifts (Eg. Door gifts, promotional items, vouchers) : RM100
- (c) Entertainment provided per headcount, excluding ED : RM500

(The rest of this page is intentionally left blank)

Investigation Procedures for Reports Received

| Responsibilities | Flowchart | Records |
|---|---|--|
| <p>ABACC Member who received report</p> <p>ABACC</p> <p>ABACC</p> | <pre> graph TD A[Reports Received – ABACC / Whistle Blowing] --> B[Call for Meeting within 72 Hours] B --> C[Collect facts, documents, evidence] C --> D{Further Action Required?} D -- No --> E[End] D -- Yes --> F[Call person reported for interview] F --> G{Further Action Required?} G -- No --> H[End] G -- Yes --> I[Report and Recommendations to ARMC / BOD] </pre> | <p>Register</p> <p>Documents, etc (if any)</p> <p>Minutes / Recorder</p> |

(The rest of this page is intentionally left blank)

CODE OF CONDUCT & BUSINESS ETHICS POLICY

Appendix B – Conflict of Interest Policy

“Conflict of Interest”

Generally, Conflict Of Interest refers to situations where –

- (a) the interests of the said person (who is often a person in a position of trust), interfere, or appear to interfere, with the interests of the listed issuer or its subsidiaries (“listed issuer group”); or*
- (b) the said person has interests that may make it difficult to perform his or her role objectively and effectively.*

1. INTRODUCTION

Cabnet Holdings Berhad (“the Company”) and its subsidiaries (collectively referred to as “the Group”) recognises and is committed to maintaining, observing and practicing high ethical standards of professionalism and integrity at all times in respect of its business and operations.

The Board of Directors and all employees of the Group are expected to discharge their duties in a professional, honest and ethical manner at all times, and to avoid any conflict or potential conflict between their personal interests and the Group’s interest.

The establishment of a Conflict of Interest Policy (“Policy”) which sets out the framework and appropriate controls and measures to ensure systematic identification and management of such conflict of interest or potential conflict of interest in an effective and timely manner is therefore important in order to ensure that the interest of the Group are protected and that any situation which could give rise to a conflict of interest or potential conflict of interest is properly reported and managed.

2. PURPOSE

The purpose of this Conflict of Interest Policy is to ensure that actual, potential and perceived conflicts of interest are identified and managed effectively. It is intended to provide guidance on how to deal with conflict of interest or potential conflict of interest situations as they arise and protect the interest of the Group, while assisting the Directors and employees to perform with high integrity and ethical standards.

3. SCOPE

This Policy applies to all Directors and employees of the Group, including employees on contract terms and secondment.

This Policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest or potential conflict of interest may arise from their current or future activities.

4. REFERENCE

This Policy shall be read in conjunction with the following guidance, policies and statutory provisions:-

- a. Code of Conduct and Business Ethics Policy;
- b. Whistleblowing Policy;
- c. Anti-Bribery Policy;
- d. Para 3.05 & 3.06 of Guidelines on Conduct of Directors of Listed Corporations and its subsidiaries;
- e. The statutory duties and responsibilities of directors under the relevant provisions as set out under Section 214, 217 to 219, 221, 222 and 228 of the Companies Act 2016;
- f. Issuers Communication – Guidance on Conflict of Interest (ICN 1/2023) issued by Bursa Malaysia on 26th May 2023.

5. SITUATIONS THAT MAY GIVE RISE TO CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST

The Directors and employees of the Group should pay attention to the following situations which may give rise to any actual or potential conflict of interest :-

a. **Equity ownership or participation in other organisations and/or entities**

This is where a Director or an employee holds shares or equity ownership in other entities or other organisations, and in particular where they are 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 public listed/quoted companies which have a business relationship with the Group, unless such holding is considered to be material (5% or more) and the interest is likely to impair the objectivity of the Director or employee concerned.

b. **Directorship, partnership or other forms of interest in entities having a business relationship with the Group**

This applies to situations where a Director or an employee holds a position or has an interest in entities having a business relationship with the Group, including financial interest in any of the Group's projects, contracts, sale, transactions, or other business dealing or have family members, close relatives or associates with such interests.

c. Other employment, business appointments or undertakings

A conflict of interest or potential conflict of interest may arise where a Director or employees hold other part time employment or have other business appointments, opportunities or undertakings which may interfere with the proper discharge of official duties in the Group, resulting in a negative impact on their performance or give rise to conflict of interest or potential conflict of interest with regards to their employment.

Directors or employee is expected to devote his/her time, attention and commitment during the performance of his/her duties. A conflict of interest or potential conflict of interest may also arise where the participation in any outside business interest or any non-business activity requires excessive time and attention from the Director or employee, thereby depriving the Group of the Director or employees' best effort and performance on the job.

d. Personal relationships

A conflict of interest or potential conflict of interest would exist if a family member of a Director or employee has a reporting relationship with the Director or employee. The Director or 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 or potential conflict of interest would also arise if a Director or employee has a family member with an interest (e.g. in the form of ownership, directorships, partnerships, employment, etc) in entities or organisations which have a contractual arrangement with the Group.

e. Contractual dealings with Director or employees

This refers to situations where 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 may give rise to a conflict of interest or potential 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 or potential 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 (5% or more) and the interest is likely to impair the objectivity of the Director or employee concerned.

If a Director or employee has accepted employment with a competitor, this could also result in a conflict of interest or potential conflict of interest during the period which the employee is still employed with the Group, especially if the Director or employee is dealing with sensitive or confidential information. As such, the conflict of interest or potential conflict of interest must be declared immediately upon acceptance of employment with the competitor to enable the Group to take the necessary actions to manage the conflict of interest or potential conflict of interest.

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 the 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 the whistleblowing channel, and the Director or employee is part of the investigating team tasked with investigating the allegation.

h. Acceptance of excessive meals or entertainment

The acceptance of excessive 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 Company's relevant policies to ensure that nothing is received / given which might create a conflict of interest or potential conflict of interest or bring their integrity into question.

For the purpose of this Policy, "family member" refers to a spouse, parents, siblings, children, grandparents, grandchildren, step relationships, in-laws or any individual related by blood or affinity whose close association with the Directors or employee is equivalent of a family relationship

6. GUIDING PRINCIPLES

- a. All directors and employees shall act in the best interest of the company and in the event of any conflict of interest or potential conflict of interest between his/her duty to act in the best interest of the company and his/her personal interest, he shall not subordinate his duty to act in the best interest of the company against his personal interest.
- b. All directors and employees shall refrain and avoid placing themselves in a position of conflict of interest or potential conflict of interest and where this is unavoidable, the director or employee should make the relevant declaration.
- c. In respect of directorship / employment with other organisations/entities, exceptional consideration will be taken in relation to this where such directorship / employment / arrangement relates to family businesses or companies including unincorporated entities such as social or community related clubs or associations and Companies Limited By Guarantee ("CLBG").
- d. All directors and employees must protect the confidential business information of the Group and never use it for their own benefit or the benefit of other persons or to recommend or cause a third party to do so.

The business affairs and information records of the Group which includes business, financial, legal, personal data, intellectual property, contractual records and documents comprising e-mails, letters, reports, drawings, calculations, specifications, forms, licences, agreements or other documents or computers software or files of whatever nature and information belonging to the Group are all confidential information belonging to the Group.



Such information is strictly private and confidential and may not be utilised, discussed with, divulged or disclosed to third parties except for legitimate official business purposes by the Director and employees authorised to do so.

- e. All directors and employees must not make use of his/her position in the Group to influence a business decision by the Group that may result in personal gain or benefit to the director or employee, their family member or persons connected to them.
- f. Business decisions made by Director or employee must be based on integrity, sound judgement and ethical practices and not be influenced by personal interest.

7. DISCLOSURE AND DECLARATION

All directors and employees are required to make a declaration by completing the relevant Conflict of Interest Declaration Form (Appendix 1) as and when the conflict of interest or potential conflict of interest situation arises at the earliest opportunity, i.e., as soon as the director or employee becomes aware of the conflict of interest or potential conflict of interest.

The declaration form must be escalated to the Head of Group Human Resources in respect of employees and to the Audit & Risk Management Committee (“ARMC”) in respect of Directors and Senior Management¹. In the case of Directors the conflict situation must be disclosed to the ARMC and the Board and recorded by the Company Secretary.

In addition to the declaration, the Director and employee with the conflict of interest or potential conflict of interest, the Head of Human Resource Department following consultation with the Executive Director and Senior Management must take reasonable steps and measures to manage, resolve, eliminate the conflict of interest or potential conflict of interest and/or to mitigate the impact of the conflict of interest or potential conflict of interest on the negotiation/discussion/decision making process. The participation of the Director and employee with conflict of interest or potential conflict of interest 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. re-arranging duties or responsibilities to a non-conflicting function, if necessary.

Any information disclosed under this Policy shall be strictly confidential. The COI Declaration Form duly completed and signed by an employee must be retained by the Head of Human Resource Department for safekeeping and record. For conflicts of interest or potential conflict of interest involving the Directors and Senior Management of the Group, the Company Secretary shall maintain records of the declarations and any other related documents.

¹ Senior Management includes directors of subsidiaries, managerial level employees and above



8. POLICY REVIEW

This Policy will be subject to review and revision from time to time as and when the need arises but in any event at least once every two years.

This Policy has been adopted by the Board of Directors and shall come into force with effect from 30 June 2023.

FOR USE BY EMPLOYEES

CABNET HOLDINGS BERHAD

Registration No: 201401045803 (1121987-D)

(Incorporated in Malaysia)

CONFLICT OF INTEREST DECLARATION FORM

Ref. No. : _____

I, _____ (NRIC No. _____) hereby declare an actual/potential conflict of interest as follows:

CATEGORIES OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST

| | |
|--------------------------|--|
| <input type="checkbox"/> | Equity ownership or participation in other organisations and/or entities having a business relationship with the Group |
| <input type="checkbox"/> | Directorship, partnership or other forms of interest in entities having a business relationship with the Group |
| <input type="checkbox"/> | Other employment, business appointments or undertakings |
| <input type="checkbox"/> | Personal relationships |
| <input type="checkbox"/> | Contractual dealings with employees |
| <input type="checkbox"/> | Dealings with competitors |
| <input type="checkbox"/> | Involvement in activities where the employee concerned is the subject matter |
| <input type="checkbox"/> | Acceptance of excessive meals or entertainment |

(please tick ✓ whichever is applicable)

DETAILS OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST

I hereby confirm that this is a complete disclosure of all conflicts of interest or potential conflict of interest to the best of my knowledge and I acknowledge, agree and undertake to comply with, any approach identified for removing/managing/mitigating an actual/potential conflict of interest that may be prescribed by the Management.

 Name :
 Position / Department :
 Date of Declaration :

Ref. No. : _____

Decision by Human Resource Department

I have reviewed the conflict of interest or potential conflict of interest disclosure and have prescribed the following action in relation to this matter :-

Name :
Head of Human Resource Department
Date :

Acknowledgement by Executive Director

I hereby acknowledge the aforementioned plan prescribed by Human Resource Department and shall ensure the relevant party abide by it in order to remove any perception or actual conflict of interest that may arise.

Name :
Executive Director
Date :

CABNET HOLDINGS BERHAD

Registration No: 201401045803 (1121987-D)

*(Incorporated in Malaysia)***CONFLICT OF INTEREST DECLARATION FORM**

Ref. No. : _____

I, _____ (NRIC No. _____) hereby declare an actual/potential conflict of interest as follows:

CATEGORIES OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST

| | |
|--|--|
| | Equity ownership or participation in other organisations and/or entities having a business relationship with the Group |
| | Directorship, partnership or other forms of interest in entities having a business relationship with the Group |
| | Other employment, business appointments or undertakings |
| | Personal relationships |
| | Contractual dealings with Director |
| | Dealings with competitors |
| | Involvement in activities where the Director concerned is the subject matter |
| | Acceptance of excessive meals or entertainment |

*(please tick ✓ whichever is applicable)***DETAILS OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST**

I hereby confirm that this is a complete disclosure of all conflicts of interest or potential conflict of interest to the best of my knowledge and I acknowledge, agree and undertake to comply with, any approach identified for removing/managing/mitigating an actual/potential conflict of interest that may be prescribed by the Audit and Risk Management Committee (“ARMC”)/Board of Directors.

Name : _____

Position :

Date of Declaration :

FOR USE BY ARMC/BOARD OF DIRECTORS

Ref. No. : _____

Decision by ARMC/Board of Directors

The ARMC/Board of Directors have reviewed the conflict of interest or potential conflict of interest disclosure and have prescribed the following action in relation to this matter :-

Name :
Chairman of ARMC/Chairman of Board of Directors
Date :