



DUOPHARMA BIOTECH BERHAD

**DECLARATION OF INTEREST
POLICY**

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DECLARATION OF INTEREST POLICY

1. INTRODUCTION

Duopharma Biotech Berhad (“Duopharma Biotech” or the “Company”) is committed to achieving the highest standards of ethical conduct and compliance with all applicable laws in the countries where members of the Duopharma Biotech Group conduct business. This Policy is to provide guidance to its Directors, Officers, and Employees (permanent and temporary) of Duopharma Biotech, to avoid any conflict or perceived conflict between their own interest and the interest of the Company.

2. DEFINITION

Unless otherwise defined herein, definitions used in this policy shall bear the same meanings as provided and/or defined in the Malaysian Anti-Corruption Commission (“MACC”) Act 2009 (Act 694) and MACC (Amendment) Act 2018 (Act 1567).

A conflict of interest arises when a Director’s, Officer’s, or Employee’s personal activities or relationships interfere with his or her objectivity in doing what is best for the Company. Conflicts of interest, be it real, potential and even by appearance, can result in serious consequences for the Directors, Officers, and Employees and the Company. Conflicts of interest can occur in both direct and indirect situations. Duopharma Biotech Directors, Officers, and Employees is expected to diligently avoid such conflicts. A conflict exists whether it is:

- ❖ **Real** – it currently exists;
- ❖ **Potential** – it may arise, given the circumstances; or
- ❖ **Perceived** – the stakeholders could reasonably form the view that a conflict exists or could arise, that may improperly influence the person's performance of their duty to the Company, now or in the future.

3. GUIDELINES

All Directors, Officers, and Employees should avoid situations where their personal

interest conflicts with Company interest. It is not possible to list down all conflicts that could arise, following are examples where conflict of interest could occur and should be avoided by Duopharma Biotech Directors, Officers, and Employees:

3. GUIDELINES (Con't)

A. Outside Employment or Business Activities

Duopharma Biotech Directors, Officers, and Employees must disclose any outside activities, financial interest or relationship that may pose a real, potential or perceived conflict of interest. For an Employee and Officer, disclosures must be made to the Head of Department ("HOD") and subsequently communicated to the Head of Group Risk Management & Integrity ("HGRMI"). The HODs approval must be obtained before accepting any position as an officer or director of an outside business. In any event, the HOD can decide to consult the GMD before granting the approval.

For a Director, disclosures must be made to the Chairman of Duopharma Biotech and subsequently communicated to the Company Secretary.

- ❖ Engaging in any other business or activities, eg. direct selling for financial gain or advantage.
- ❖ Having any interest in another organisation having business dealings with the Company.
- ❖ Having a second job where the other employer is a direct or indirect competitor, distributor, supplier or customer of Duopharma Biotech.
- ❖ Having a second job or consulting relationship that affects the Director's, Officer's, or Employee's ability to satisfactorily perform Duopharma Biotech assigned responsibilities.
- ❖ Selling or leasing property, services or equipment to the Company.

Having an outside employment that requires you to use Duopharma Biotech's resources, time, facilities or property to perform the job would be considered a conflict of interest. To assess whether a second job/situation will create a conflict of interest, Duopharma Biotech Officers and Employees are required to consult their HODs and/or the HGRMI before accepting an additional employment outside the Company.

B. Directorship

- ❖ Duopharma Biotech Officers and Employees must notify the Management before serving on the board of a charitable, educational, or other non-profit organization. Acceptance of a directorship post without prior approval from the HOD, who will determine whether the directorship creates conflicts of interest, is a misconduct. In any event, the HOD can decide to consult the Group Managing Director ("GMD") before granting the approval.
- ❖ Serving as a director, consultant or agent to a competitor of the Company is a serious misconduct and it's prohibited.

3. GUIDELINES (Con't)

- ❖ A relative or an associate member of the Directors, Officers, and Employees shall not accept external directorships or become silent partners in entities of organisations which are known to be Duopharma Biotech's registered contractors/vendors or which have or are seeking to have business dealings with the Company unless prior disclosure has been made in accordance to this policy and the relevant approvals have been obtained.

C. Investments

- ❖ Having a direct or indirect financial interest in or a financial relationship with a Duopharma Biotech competitor, supplier or customer (except for insignificant stock interests in publicly-held companies).
- ❖ Using confidential Duopharma Biotech information for personal gain or advantage, or for the gain or advantage of another, including the purchase or sale of securities in a business Duopharma Biotech is interested in acquiring, selling or otherwise establishing or terminating business relations with.
- ❖ Investing in an outside business opportunity in which Duopharma Biotech has an interest, except for having an insignificant stock interest in publicly-held companies. *(For further details, please refer to the Securities Trading Policy)*

D. External Communications

- ❖ Duopharma Biotech Officers and/or Employees must obtain prior approval from his/her HOD before accepting the offer to be a speaker in any formal training/workshop/event by external parties. The ultimate reporting Group Management Council ("GMC") member and the GMD should be copied in the request and the approval obtained.
- ❖ Receiving personal honorarium for performing services that are closely related to the Directors', Officers', or Employees's work at Duopharma Biotech. *(Please refer Guidelines for the Receipt of Honorarium/Speaker Fees).*

E. Relationship

- ❖ Mixing personal relationships and business - for example, appointing a relative as a Director, Officer, Employee or vendor; procuring goods or services from a Director's, Officer's, or Employee's spouse, relative, associate or friend's business on Duopharma Biotech's behalf; or selling Duopharma Biotech goods to a Director, Officer, and Employees spouse, relative, associate or friend on favourable terms and is not on an arm's length basis.
- ❖ Taking part in any Duopharma Biotech business decision involving a company that employs a spouse, relative, associate or friend of a Director, Officer or Employee.

3. GUIDELINES (Con't)

The definition of 'relative' according to the MACC Act 2009 is as follows:

- i. A spouse of the Director, Officer, or Employee;
- ii. A brother or sister of the Director, Officer, or Employee;
- iii. A brother or sister of the spouse of the Director, Officer, or Employee;
- iv. A lineal ascendant or descendent of the Director, Officer, or Employee;
- v. A lineal ascendant or descendent of a spouse of the Director, Officer, or Employee;
- vi. A lineal descendant of the person referred to in paragraph (ii);
- vii. The uncle, aunt or cousin of the Director, Officer, or Employee; or
- viii. The son in-law or daughter in-law of the Director, Officer, or Employees.

The definition of 'associate' according to the MACC Act 2009 is as follows:

- i. Any person who is a nominee or employee of a Director, Officer, or Employee;
 - ii. Any person who manages the affairs of a Director, Officer, or Employee;
 - iii. Any organisation of which a Director, Officer, or Employee, or any nominee of his, is a partner, or a person in charge or in control of, or has a controlling interest in, its business or affairs;
 - iv. Any corporation within the meaning of the Companies Act 1965 (Act 125), of which a Director, Officer, or Employee, or any nominee of his, is a director or is in charge or in control of its business or affairs, or in which such person, alone or together with any nominee of his, has or have a controlling interest, or shares to the total value of not less than thirty per centum of the total issued capital of the corporation; or
 - v. The trustee of any trust, where –
 - The trust has been created by a Director, Officer, or Employee; or
 - The total value of the assets contributed by a Director, Officer, or Employee to the trust at any time, whether before or after the creation of the trust, amounts, at any time, to not less than twenty per centum of the total value of the assets of the trust.
- ❖ Personal relationships with other Duopharma Biotech Directors, Officers, or Employees where being in that relationship may result in one of the persons receiving or giving unfair advantage, or preferential treatment because of the relationship.
- ❖ Actions or relationships that might conflict or appear to conflict with job responsibilities or the interests of Duopharma Biotech.

3. GUIDELINES (Con't)

- ❖ Having romantic relationships with other Duopharma Biotech Director, Officer, or Employees where:
 - There is a reporting relationship (both direct and indirect) between Duopharma Biotech's Directors, Officers, or Employees;
 - There is no direct reporting relationship between the Duopharma Biotech's Directors, Officers, or Employees, but where a romantic relationship could cause others to lose confidence in the judgment or objectivity of either Directors, Officers, or Employees (e.g. one or both have access to sensitive information), or the relationship could cause embarrassment to the Company.

If there is such a relationship, the parties need to be aware that one or both may at the discretion of the Duopharma Biotech's Management be moved, transferred or seconded to a different department, business unit, division or company within the Duopharma Biotech Group and/or other actions may be taken (including but not limited to change of job scope and/or responsibilities).

4. COMPLIANCE AND MONITORING OF THE POLICY

- i. Duopharma Biotech's Directors, Officers, and Employees must periodically update their Management or the Chairman of Duopharma Biotech (*for Directors only*), regarding any activity that has previously been disclosed pursuant to this Policy.
- ii. Directors, Officers, and Employees are required to act at all times in a manner consistent with their being Directors, Officers, and Employees of the Company. They should avoid situations which give rise to conflicts of interest. On occasion, however, the question of whether or not a conflict of interest exists may be unclear and consequently open to interpretation. On any such occasion, the Director, Officer, or Employee concerned should consult his HOD and/or the HGRMI.
- iii. Officers and Employees are required to submit an annual Declaration of Interest the Group Risk Management & Integrity ("GRMI"). We seek declarations of both actual and perceived conflicts of interest and take appropriate action to manage the conflict. (*Refer to the Declaration of Interest Form*)

For Directors, disclosures must be made to the Chairman of Duopharma Biotech and subsequently communicated to the Company Secretary.

- iv. Directors, Officers, and Employees should bear in mind that the obligation to declare an interest is a continuing one. Should a Director, Officer, or Employees realise retrospectively that they have an interest which is connected with a matter that has been considered they should notify the Chairman of Duopharma Biotech (*for Directors only*), their HOD and/or the HGRMI of that interest at the earliest opportunity.
- v. The HGRMI will be responsible for undertaking a formal assessment of the compliance and effectiveness of the policy and any emerging patterns and reporting this to the Risk Management Committee ("RMC") and GMD.

- vi. Any Director, Officer, or Employees who does not comply with any part of this Policy shall be subject to disciplinary action.
- vii. The GMD has overall responsibility of the Declaration of Interest Policy.

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