



**NTPM HOLDINGS BERHAD**  
**(Company No. 384662-U)**  
**("NTHB" or "the Company")**  
(Incorporated in Malaysia under the Companies Act, 1965)

## **CONFLICT MANAGEMENT POLICY**

Approved by :	The Board of Directors
Effective date :	24 July 2018



## TABLE OF CONTENTS

<b>Section</b>	<b>Description</b>	<b>Page</b>
Section 1	Introduction	1
Section 2	Purpose of the policy	2
Section 3	Procedures for the managing of conflicts	2
Section 4	Procedures for resolving the conflicts	3
Section 5	Review	4



## **1. INTRODUCTION**

This policy sets out a summary of the Conflicts Management Framework ("CMF") of NTPM Holdings Berhad (or "the Company"). The Policy sets out how the Company identifies and manages actual, potential and perceived conflicts and forms part the Company's CMF.

This Policy and the systems, processes and controls implemented to ensure compliance with this Policy comprise the CMF applicable to the Company, and all affected personnel and Employees ("Responsible Persons"). The Board is ultimately responsible for the development and management of the CMF.

The Board acknowledges its obligation to take all reasonable steps to ensure that all Responsible Persons clearly understand:

- i) the need to identify all potential conflicts;
- ii) the circumstances that might give rise to a conflict;
- iii) the content and purpose of the CMF;
- iv) their obligations as a Responsible Person; and
- v) that upon becoming a Responsible Person there is a duty to disclose all Relevant Duties and Relevant Interests.

In the event of a conflict, the Board of Directors and each director of the Company must:

- i) give priority to the duties to and the interests of the Company;
- ii) ensure that the duties to the Company are met despite the conflict;
- iii) ensure that the conflict does not adversely affect the interests of the Company; and
- iv) ensure that the quality of the financial services provided by or on behalf of the Director is not compromised by the conflict.

It is therefore essential that all conflicts, including potential and perceived conflicts, are identified early, avoided where possible and, if they cannot be avoided, carefully managed.



## **2. PURPOSE OF THE POLICY**

The objective of this Policy is to provide a mechanism for monitoring the effectiveness and appropriateness of the Company and its Group's conflict management.

This Policy provides a framework for the identification, assessment and management of conflict of any kind between the Management with the Company's Board of Directors ("Board") and Board Committee and shareholders in reaching a fair resolution of any conflicts or disagreements that may arise from time to time.

The policy is intended to:

- Provide the opportunity to resolve a conflict or complaint quickly, fairly and without reprisal;
- Improve communication and understanding between the Management with the Company's Board and Board Committee and shareholders; and
- Ensure confidence in Management's decisions by providing a mechanism whereby Management's decisions can be objectively reviewed.

## **3. PROCEDURES FOR THE MANAGING OF CONFLICTS**

### a) State the problem

A dialogue is conducted to meet, listen and ask each of the conflicting parties individually to state their view of the problem as simply and clearly as possible so that the real problem can be identified and addressed. The Independent Directors shall assure the conflicting parties that they will each have their turns.

### b) Restate the problem

After listening to the conflicting parties, the Management should restate the problem in their own terms to broaden the perspective of a problem and identify the central issue and alternative solutions to resolve the problem. The Management should not be allowed to critique, argue, comment or rebut on the explanation given by the conflicting parties.

### c) Understand the problem

The Independent Directors should truly understand the problem after listening to their conflict partner restatement of the problem. The conflicting parties must agree that their position is understood by the Independent Directors.



d) Pinpoint the problem

The Independent Directors should understand the problem in objective terms, and in as much specific detail as possible by clearly and succinctly stating what the crux of the issue is and having both parties agree that the Independent Directors truly understand it.

e) Ask for Suggestions

After getting each party's viewpoint on the conflict, and looking beyond the incidence, the Independent Directors may ask and listen to the conflicting parties' ideas offered with open mind for solving the problem or engage external consultant for advising the them to solve the problem.

f) Make a Plan

The ideas offered should be converted in the form of a specific plan and implemented accordingly. Ensure the effectiveness of the plan by reviewing the feedback from the conflicting parties after implementation.

h) Follow Up

Feedback from the conflicting parties should be followed up closely to ensure that the problem is resolved. Otherwise, the Independent Directors should re-look into the problem with appropriate solution to resolve the case.

#### **4. PROCEDURES FOR RESOLVING THE CONFLICTS**

a) Identify a safe place and time to talk

In order to allow for a constructive conversation, the Company should provide a neutral room which allows conflicting parties to take the risk for honest communication about the issues at hand. Ensure the appropriate amount of time for a meeting is acceptable and appropriate for all parties. If time is limited, then fix a time and date for immediate follow up.

b) Clarify individual perceptions involved in the conflict

Each party involved in the conflict shall has an opportunity to express his or her perception or understanding of the conflict. Avoid any unrelated issues not pertaining to the conflict by identifying issues clearly and concisely and remove the emotion from the situation.



c) Practice taking an active and empathetic listening stance

To obtain a positive outcome in negotiating solutions to the conflict, it is vital to make a concerted effort to listen to what is being conveyed by conflicting parties instead of forcing own ideas onto them. This would enable the Independent Directors to identify the thoughts or feelings of the conflicting parties and have the capacity to understand their point of view.

d) Generate options with the vision of a win-win outcome

In conflict resolution a win-win strategy is a process that aims to accommodate all parties and arises out of sense of fairness and it may be achieved in generating several possible solutions to the problem by collectively brainstorming ideas and writing down the various ideas.

Determine the criteria that will be used for evaluating options to ensure everyone is on the same page and, with mutually acceptable criteria, good solutions to problems become easier to formulate.

e) Develop an agreement that works for all

At the conclusion of the negotiation process and both parties had reached an agreement regarding solutions to each of the problems, summarize the ideas and put them in writing. Restate them back to each other to ensure everyone agrees with both the intent of the solution and how it is to be carried out. As the conversation comes to a close, leave the session with a commitment to implement the plans that have just created.

## **5. REVIEW**

The CMF must be appropriate to the size, business mix and complexity of the Company's activities, and must provide reasonable assurance that all conflicts are being clearly identified, avoided or prudently managed.

Accordingly, the appropriateness, effectiveness and adequacy of the CMF must be subject to the regular review and each review or any changes thereof must be approved by the Board.