



BERMAZ AUTO BERHAD
Registration No. 201001016854 (900557-M)
(Incorporated in Malaysia)

CONFLICT OF INTEREST POLICY

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1. INTRODUCTION

Bermaz Auto ("BAuto") is committed to maintaining the highest ethical standards and prioritizing integrity and transparency in every aspect of the Group's business operations. It is therefore important that all BA Auto Directors (as herein defined), Employees (as herein defined) and Business Associates (as herein defined) perform their roles and responsibilities objectively, avoid being biased or influenced by their interests in making decisions or judgment that could undermine the interests of the Group. The Company takes this commitment seriously and expects all the parties concerned to uphold these values at all times.

Due to the complexity of the Group's business environment/operations, it is not possible for the Company to detect or identify every conflict of interest situation or potential conflict of interest situation that occurs or may occur. The occurrence of a conflict of interest situation does not necessarily implies that it is wrong. However, the failure to disclose it is a form of misconduct. Regulatory bodies such as the Companies Commission Malaysia and Bursa Malaysia Securities Berhad have provisions on disclosure requirements as well as recommended procedures on how conflict of interest situations should be managed or approached. The party concerned should not be the sole decision-maker in determining whether a conflict of interest exists as he/she/it may lack an independent or objective viewpoint.

Disclosure of a potential conflict of interest does not make it an actual conflict as such disclosure helps to eliminate any false perception. Also, disclosure of an actual conflict of interest does not remove the conflict but merely facilitates appropriate management of the said conflict. It is therefore important to disclose any actual, potential and/or perceived conflict of interest situations to enable a proper evaluation and management of the said conflict. Non-disclosure of such conflict may result in ethical and/or legal implications.

2. OBJECTIVE

This Conflict of Interest Policy ("Policy") aims to protect the Group's interest from any harmful conflict of interest situations, to safeguard the Group's reputation, minimize legal liability, and enable the Group to effectively fulfill its responsibilities to all its stakeholders, society and the environment. It provides clear guidance to effectively identify and evaluate any conflict of interest situations which may arise and to handle such situations in a fair and transparent manner and in accordance with the provisions of the regulatory bodies in Malaysia.

3. SCOPE

This Policy applies to all BA Auto Directors, Employees and Business Associates of the Group (hereinafter collectively to be referred to as "Interested Party").

This Policy becomes relevant when an individual becomes aware of and/or reasonably anticipates that a conflict of interest situation has occurred/may occur from his/her present and/or future engagement with the Group.

This Policy is established as the Group's framework to identify, evaluate, approve, report and monitor conflict of interest situations.

3. SCOPE (Continued)

This Policy shall be read together with the Code of Conduct and Business Ethics, Whistle Blowing Policy, Anti Bribery & Corruption Policy and any other related policies of the Company.

The guidelines and procedures in this Policy are not meant to be exhaustive. Whether or not a situation will give rise to a conflict of interest situation is very subjective and a proper evaluation and assessment, on a case-to-case basis, is required based on the facts and circumstances presented. Hence, when in doubt, it is always in the best interest of the party concerned to disclose such matter upfront.

4. DEFINITIONS

"AC" means Audit Committee.

"BAUTO" or the "Company" means Bermaz Auto Berhad.

"BAUTO Group" or the "Group" means Bermaz Auto Berhad and its subsidiaries.

"BOD" means Board of Directors of BAUTO.

"Business Associate" means an external party with whom BAUTO Group has, or plans to establish, some business relationship. This may include clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisors, agents, distributors, representatives, intermediaries and investors.

"CIDF" means Conflict of Interest Declaration Form, as set out in Appendix III.

"Conflict of interest" or "COI" arises when a person's interests clash with his/her/its professional responsibilities, potentially leading to biased decision-making, unethical, illegal, or unprofessional behavior, and undermining the Group's interest. Conflict of interest may exist in the form of actual, potential or perceived as described in Clause 9 of this Policy.

"COI Committee" means Conflict of Interest Committee, comprising of HOD (as herein defined) and/or Company Secretary appointed by the EC (as herein defined) / GCEO (as herein defined).

"Director(s)" means directors of BAUTO Group (including Executive and Non-Executive Directors of BAUTO and directors of BAUTO subsidiaries).

"EC" means Executive Chairman.

"Employees" include permanent, temporary, contract, part-time, intern, apprentice / students and seconded staff under the Group.

4. DEFINITIONS (Continued)

“Family member” means:

- i) a spouse of the person; or
- ii) a brother or sister of the person, or their spouses; or
- iii) a brother or sister of the spouse of the person, or their spouses; or
- iv) parents or parents-in-law of the person; or
- v) children (including adopted or stepchild) or children-in-law of the person; or
- vi) a lineal descendant of a person referred to in (ii) and (iii) above, e.g., niece or nephew, or their spouses; or
- vii) the uncle, aunt, or cousin of the person.

“GCEO” means Group Chief Executive Officer.

“Governance Party” refers to the various parties as set out in clause 6.1 of this Policy who are delegated specific roles and responsibilities in handling the COI situations.

“HOD” means Head of Department / Division.

“Interested Party” means a Director, an Employee or a Business Associate, who/which is deemed to have a vested, potential or perceived vested interest, directly and/or indirectly, in the Group and/or is in a position or would be in a position to exert/exercise influence on the Group’s business/operations/decision making, which could/may undermine the Group’s interest.

“Key Senior Management” or “KSM” means the highest level of management in the Group, including C-suite employees who are not on the BOD and any other persons whom the BOD shall consider as being a Key Senior Management.

5. POLICY OWNER

Risk Management Department is the owner of this Policy.

6. ROLES AND RESPONSIBILITIES

6.1 Roles and responsibilities of the Governance Party

This Policy ensures fairness and transparency in handling the various COI situations by segregating the specific roles and responsibilities to different parties as set out below (hereinafter to be referred to as **“Governance Party”**):

Governance Party	Role	Responsibilities
BOD	Oversee; Review; Advise / Approve COI Report	<ul style="list-style-type: none"> i) Oversee this Policy & its related procedures; ii) Review, advise and/or approve the evaluation criteria and corresponding action plan to address the COI findings; iii) Entrust critical areas to be reviewed by the AC; iv) Deliberate on COI findings presented by AC during BOD meeting;

6.1 Roles and responsibilities of the Governance Party (Continued)

COI Governance	Role	Responsibilities
AC	Review; Report; Recommend to BOD the COI Report	<ul style="list-style-type: none"> i) Ensure this Policy complies with relevant regulatory requirements; ii) Review and monitor the COI situation(s) reported by the COI Committee and ensure that they are properly managed and enforced in accordance with the Policy across the Group; iii) Report the COI findings and its corresponding assessment/decision to the BOD; iv) Disclose in the AC Report on annual basis, all the COI situations that arose, perceived and/or potential, together with the measures on how such conflicts were resolved, eliminated and/or mitigated and for those still subsisting, how they are being managed and monitored; v) Review and evaluate any COI disclosures by Directors and manage them, whenever necessary.
EC and GCEO	Implement; Enforce; Evaluate; Review; Monitor the COI Report	<ul style="list-style-type: none"> i) Lead and steer in the implementation and enforcement of this Policy; ii) Work closely with HOD in formulating COI management strategies; iii) Review and monitor the control processes that govern the COI management; iv) Report the COI situation, nature of the transaction, the impact on the Group, and its corresponding management to the AC. v) Review and evaluate HOD / KSM's COI disclosure and manage the COI situation whenever necessary.
COI Committee	Implement; Enforce; Evaluate; Review; Monitor; Record COI Report	<ul style="list-style-type: none"> i) Provide prompt guidance and advice for the implementation and enforcement of this Policy; ii) Coordinate programs to create awareness and continuous training; iii) Establish control processes to govern the COI management; iv) Assist AC in compiling COI-related information, review and monitor COI situations, and evaluate the appropriateness of corresponding COI management actions; v) Keep records of all the COI situations & other related information and documentation.

6.1 Roles and responsibilities of the Governance Party (Continued)

COI Governance	Role	Responsibilities
HOD / KSM	Execute; Report; Monitor COI	<ul style="list-style-type: none"> i) Encourage Employee or Business Associate to disclose COI (actual,perceived and/or potential, where applicable); ii) Document all disclosures formally and act upon the disclosures promptly; iii) Keep the disclosures private and confidential; iv) Review and evaluate the disclosures to determine if a COI situation exists and the type of COI situation; v) If a COI situation exists, propose appropriate action to resolve, eliminate, mitigate or monitor the COI situation; vi) Communicate with Employee or Business Associate to ensure appropriate remedial / corrective actions are taken; vii) If a COI situation persists, monitor its development and propose further corrective action, wherever required.

6.2 Roles and responsibilities of an Interested Party

Generally, an Interested Party is required to:

- i) Comply with this Policy and other related procedures and guidelines at all times;
- ii) Demonstrate objectivity, integrity, and independence; employ sound judgment and discretion in all his/her/its actions;
- iii) Make efforts, whenever feasible, to steer clear of circumstances that may lead to any COI situations as described in this Policy;
- iv) Immediately declare any vested, perceived and/or potential interest in accordance with this Policy;
- v) Adhere to the appropriate Governance Party's advice, recommendation and/or decision to address the COI situation.

Apart from the abovementioned, should the Interested Party be a Director, he/she is also required to comply with the relevant statutory and regulatory provisions on COI situation such as:

- i) the Companies Act 2016;
- ii) the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; and
- iii) other applicable statutory/regulatory requirements, if any.

7. IDENTIFYING COI SITUATION

In this Policy, a COI situation (whether arose, perceived and/or potential) is when an Interested Party, may or will through his/her/its position, action and/or judgement, directly and/or indirectly, exert undue influence on the COI situation and undermines or will undermine the Group's overall interest.

An interest can be a financial interest or a non-financial interest; a direct interest or an indirect interest.

7.1 Type of Interests

- i) **Financial interests** refer to interests that can be measured in monetary terms, such as remuneration (salary, commission, fees etc.), commercial dealings such as business contracts, consultancy fees, acquisition and/or sale of assets etc.
- ii) **Non-financial interests** include all other interests that are not measured in monetary terms, such as directorship (or involvement in other organizations such as competing businesses, professional, charitable, religious or political bodies, etc.), accessibility to confidential information, “Family member” relationship, etc.

More examples of these interests are listed in Appendix I.

- iii) **Direct interests** refer to self-interest when an Interested Party has clear and defined rights.
- iv) **Indirect interests** refer to situations when an Interested Party derived benefits through a third party or an intermediary.

8. DISCLOSURE OF COI SITUATION

8.1 How to disclose a COI situation

Any disclosure of COI situation should be made by way of completing a Conflict of Interest Declaration Form (“CIDF”) as set out in Appendix III.

Submission of completed CIDF:

<u>Interested Party</u>	<u>Submit to</u>
i) Director	AC via Company Secretary
ii) KSM and HOD	COI Committee via EC / GCEO
ii) Employee (other than KSM and HOD)	COI Committee via HOD / KSM
iii) Business Associate	COI Committee via HOD / KSM

8.2 When to disclose a COI situation

- i) **At the time of appointment or recruitment;** Human Resources Department should obtain a duly completed CIDF from an onboarding Employee (including KSM and HOD) and the Company Secretary should obtain the same from an onboarding Director;
- ii) **Before executing a business agreement or procurement process,** the HOD who is responsible for the business dealings or procurement shall obtain a duly completed CIDF from the onboarding Business Associate;
- iii) An incumbent Interested Party having an interest, direct or indirect, in any material transaction or arrangement with the Group, or, holding any office where one's duties are in conflict with his/her duties for the Group, or possessing any asset or having any other interest where one's interest may be in conflict with his/her duties for the Group, shall, **as soon as practicable after the facts have come to his/her knowledge, or after becoming a director or possessing the asset or interest** (as the case may be) declare or inform the conflict or potential conflict or perceived conflict;

8.2 When to disclose a COI situation (Continued)

- iv) Incumbent Interested Party should also submit a duly completed CIDF **annually**;
- v) A Director should declare proactively any interest relating to a deliberation of which he/she may or has a COI situation **at the outset of each Board or Board Committee meeting**. He/she should accordingly abstain from deliberation and voting at the said meeting(s) and to have limited access to information and/or documents pertaining to the said COI situation.
- vi) **When there is doubt** as to whether a COI situation (occurs, potential and/or perceived) exists, it is recommended that the Interested Party declares such interest upfront to the HOD or Board (as the case may be).

9. ANALYZING INTEREST DISCLOSURE

- i) Upon receiving the CIDF as described in clause 8.1 above, the Governance Party shall immediately gather more information that can help analyze the disclosure and determine if COI exists.
- ii) Information required including but not limited to the following:
 - a) the nature and value / impact of the interest;
 - b) the extent of the relationship of the Interested Party with the Group (duration and closeness);
 - c) the scope of power / authority / discretion of the Interested Party;
 - d) the nature and salient terms of the transaction, areas of concern;
 - e) financial and non-financial impact on the Group's interest; etc.
- iii) The Governance Party should consider information described in (ii) above, and other relevant information when applicable, to determine whether COI exists; if exists, to identify the nature, character and extent of the COI situation.
- iv) COI situation may exist in the form of:
 - a) Actual COI – when there are proven facts that COI exists;
 - b) Perceived COI – there is no proven fact that COI exists, however, one believes that COI exists; and
 - c) Potential COI – COI has not existed currently; however, it has prospect to exist in the near future.

Examples of COI situations and analyses can be found in Appendix I. While Appendix I covers various COI situations, it is not exhaustive.

- v) This COI information and analysis should be recorded in the CIDF as set out in Appendix III.

10. EVALUATING COI SITUATION

When evaluating a COI situation, the Governance Party should consider, amongst others, the following factors to make a sound judgment and take appropriate action to resolve, eliminate or mitigate the COI.

10.1 Key factors to be considered during the evaluation

- (i) Nature, character and extent of the COI, areas of concern;
- (ii) Nature of the transaction that gives rise to COI;
- (iii) Identify the Interested Party that may have COI;
- (iv) Likelihood – How likely that the Group’s interest would be unduly influenced by the Interested Party (this depends on the significance of the value / impact of the Interested Party’s interest or the scope of the Interested Party’s relationship with the Group);
- (v) Impact – seriousness of the financial and non-financial impact (if any) on the Group resulting from the undue influence of the Interested Party;
- (vi) If the COI situation persists, the Governance Party should monitor and review the effectiveness of the control measures, and recommend additional corrective actions as needed.

Further details and criteria for evaluating the likelihood and impact of the COI are included in Appendix II.

10.2 The Evaluation Process

- i) When a CIDF is received, the Governance Party should take prompt action to evaluate and manage the COI.
- ii) The HOD is responsible for handling disclosures from Employees and Business Associates (except for situation as described in (iv) below), while EC / GCEO are responsible for the KSM’s and HOD’s disclose and AC is responsible for the Director’s disclosure.
- iii) In case if HOD requires clarification on COI management, the COI Committee is responsible for assisting the HOD and reviewing the adequacy of the HOD’s proposed action taken.
- iv) In case of COI involving a HOD or a COI Committee member as the Interested Party, the matter shall be escalated to the KSM / GCEO / EC for review. Relevant HOD or the COI Committee member should not participate in the management of the COI case in which they are personally involved and should recuse themselves from relevant deliberations.

The process flow for managing COI is outlined in Appendix IV.

11. MANAGING COI

Appropriate steps must be taken to manage the conflict and to resolve, eliminate, or mitigate the impact of the COI situation on the Group.

11.1 If a conflict of interest is identified

Ideally, conflicts should be avoided by relinquishing the conflicting interest. In situations where complete avoidance is impractical, actions should be tailored based on the nature and severity of the conflict; such actions include but are not limited to the following: -

- a) Not participating in any critical criteria setting or decision-making.
- b) Avoid discussions on the matter.
- c) Having limited access to information and being denied access to sensitive or confidential documents.
- d) Abstaining from voting on the decision.
- e) Complete disengagement from the matter.
- f) Reassignment of duties, ensuring they do not overlap with supervision.
- g) Potential transfer to a different project or area within the Group, or initiate separation process from the Group

Where applicable, the Governance Party must communicate the action plan to the Interested Party.

11.2 If a conflict of interest is not identified

An explanation and other relevant supporting documentation including the CIDF, should be prepared to keep in record the reasons that a conflict of interest is not identified; this documentation shall be lodged in the COI Register kept by the Risk Management Department and/or Human Resource Department.

12. BREACH OF POLICY

Failing to disclose a conflict of interest or provide an incomplete or inaccurate disclosure of a conflict of interest or seek approval in the event of a conflict of interest or appropriately deal with a conflict of interest, in a timely manner, constitutes a violation of this Policy, and for Directors constitute a misconduct under the Companies Act 2016, may lead to disciplinary action being taken by the Group.

CONFLICT OF INTEREST POLICY
Appendix I – Activities that may give rise to conflict of interest and would warrant disclosure

	Nature of interest	Sample activities	Actual	Perceived	Potential
i)	Financial & Direct Interest				
a)	Using the property of the Group	Engage in other employment or business opportunities that require excessive time and attention and may or will negatively affect one's performance in the Group.	√		
		Buy, sell, or lease the Group's assets at non-market price to an entity that the Interested Party has direct interest.	√		
		Use the Group's resources to develop intellectual property that is then used for personal gain rather than benefiting the Group.	√		
b)	Using information acquired by virtue of one's position as a director or officer of the Group	Use the Group's confidential information for one's own business which offers similar products or services that are likely to replace or substitute the products or services offered by the Group.	√		
		Trade securities based on non-public information about the Group and use privileged information for personal financial gain.	√		
		Post the Group's unpublished or confidential information on social media, or accept payment from another corporate entity for the use of such information.	√		
c)	Using one's position such as director or officer	Accept favors, gifts, payments, hospitality, or other benefits (even small in value) from the Group's customers or vendors to facilitate a routine or secure a procurement.		√	
		Accept kickbacks or incentives from vendors in exchange for influencing procurement decisions, compromising the Group's financial integrity.	√		
		Leverage the Group's business or developmental plan by acquiring adjacent lands under one's name.			√

CONFLICT OF INTEREST POLICY
Appendix I – Activities that may give rise to conflict of interest and would warrant disclosure (Continued)

	Nature of interest	Sample activities	Actual	Perceived	Potential
d)	Using any opportunity of the Group that one became aware of, in the performance of one's functions as the director or officer of the Group	Offer paid services to the Group's customers or vendors during their time off.			✓
		Accept offices as a director or advisor or staff at a competitor's or customer's or vendor's company.		✓	
		Prioritize own venture by depriving the Group of an identified business opportunity.	✓		
e)	Engaging in business that competes with the Group	Work part-time with another corporate entity that sells a competing product or service or sharing of the Group's confidential information with a competitor.	✓		
f)	Provides financial assistance to, or receives financial assistance from, the Group on terms and conditions that are more favorable to the said person than normal commercial terms	A financial advisor who knowingly advises the Group to get financial products that are not in the Group's best interests (too expensive, too risky, or not in line with stated goals), as the advisor can earn a bigger commission.	✓		
g)	Failing to accurately disclose the nature and extent of an interest in another entity	Disclose direct interest in a business but not disclose the beneficiary interest held via Family Member.	✓		
ii)	Financial & Indirect Interest				
a)	Using the property of the Group	Sell a Group's asset to a trust fund set up by a Family Member of the Interested Party, without prior approval of the BOD of the Group.	✓		
b)	Using information acquired by one's position as a director or officer of the Group	Use the Group's confidential information for the business deal of an entity that a business partner has an interest in.	✓		
c)	Using one's position such as director or officer	Pursue the Group's vendor to source material from an entity which a Family Member of the Interested Party has interest.	✓		

CONFLICT OF INTEREST POLICY
Appendix I – Activities that may give rise to conflict of interest and would warrant disclosure (Continued)

	Nature of interest	Sample activities	Actual	Perceived	Potential
iii)	Non-financial & Direct Interest				
a)	Using the property of the Group	Hold personal ownership of intellectual property that could be beneficial to the Group.	√		
b)	Using one's position such as director or officer	Fail to investigate the misconduct of a subordinate or coworker due to personal reasons and such acts negatively impact the Group. Evaluate a team member with whom one has a personal relationship. Hold dual roles where personal interest in one role conflicts with the responsibilities and objective of another role within the Group. Hold a position in an entity that operates in the same industry and may directly compete with the Group, leading to divided loyalties.	√	√	
c)	Using the position as a director or officer or information obtained to gain an advantage for oneself	Recruit an unqualified relative or acquaintance to work under direct or indirect supervision for personal interest. Date or have a romantic relationship with a supervisor or subordinate. Family Member works in the same department or division. Influence hiring decisions to recruit one's preferred candidates. Use undue influence to interfere with the work assignments of others for personal interest.	√	√	
d)	Failing to disclose a material personal interest ¹ in deliberations that could result in a decision affecting this personal interest ¹	Fail to disclose the relationship with a job candidate whom the Group is considering hiring. Fail to disclose the substantial interest one has in an entity that supplies products and services to the Group.		√	

CONFLICT OF INTEREST POLICY
Appendix I – Activities that may give rise to conflict of interest and would warrant disclosure (Continued)

	Nature of interest	Sample activities	Actual	Perceived	Potential
	¹ <i>Personal interest can be in the form of ownership, directorships, partnerships, holding a position that has significant non-financial advantages, or other forms of commitment.</i>	Use undue influence to procure goods from enterprises owned by oneself at a marginally lower price compared with other vendors.	✓		
		Decide for one company based on information obtained by being a director or officer of another company.		✓	
		Influence the decision of the Group to develop a new business area where one owns a property so that one will also enjoy the convenience of the infrastructure developed.			✓
e)	Failing to act in the Group's best interests and instead acting in favor of personal interests	Make a decision based on personal interest, such as supporting a political cause or take a religious stance on an issue, that conflicts with the Group's objectives.	✓		
		Make decisions that favor personal relationships with individuals or entities outside the Group, even when those decisions are not in the best interest of the Group.	✓		
		Choose to collaborate selectively with external entities based on personal interests, rather than considering collaborations that would be in the best interest of the Group as a whole.	✓		
f)	Failing to accurately disclose the nature and extent of a non-financial interest in another entity	Fail to disclose personal relationships, such as familial or close friendships, that may influence decision-making in favor of another entity.			✓
		Fail to disclose volunteer work or involvement with another entity or personal pursuits that may influence decisions or actions taken within the Group.			✓
		Fail to disclose involvement in advocacy or lobbying efforts for another entity that may conflict with the interests of the Group.			✓

CONFLICT OF INTEREST POLICY
Appendix I – Activities that may give rise to conflict of interest and would warrant disclosure (Continued)

	Nature of interest	Sample activities	Actual	Perceived	Potential
g)	Prioritizing a non-financial need or interest of an individual or entity over the Group	Give undue preference to an external entity with which the Interested Party has affiliation or personal connection, even if it is not aligned with the Group's goals.	✓		
		Prioritize personal recognition over the success and well-being of the Group.	✓		
		Share only partial information to manipulate decisions for personal interests rather than the Group's interest.	✓		
		Engage in behaviors that drive discord among team members for personal gain and undermine the cohesion needed for the Group's success.	✓		
		Disregard the Group's consensus in favor of decisions influenced by external entities, such as personal associations or external pressures.	✓		
iv)	Non-financial & indirect Interest				
a)	Failing to accurately disclose the nature and extent of a non-financial interest in another entity	Promote or favor individuals with personal connections to the other entity, or advocate nepotism, without disclosing the relationship.		✓	
		Collaborate with external entity on project or research without transparently disclosing these collaboration and potential influence on decision-making within the Group.			✓
		Participate in reciprocal arrangements with another entity, such as mutual endorsement or support, without disclosing this arrangement to the Group.			✓

CONFLICT OF INTEREST POLICY
APPENDIX II – Factors to be considered during the evaluation

Further details of the key factors to be considered during the evaluation and examples of evaluation are set out below for reference purposes.

	Assessment criteria	Sample activities	Likelihood of conflict of interest			
			Improper	Unlikely	Likely	Very likely
i)	The Interested Party's authority in decision-making or influencing the decision-making.	<p>Manager A has moderate authority and decision-making influence, but it is limited to specific areas.</p> <p><i>(For instance, executives and senior managers have more discretion to make workplace decisions than administrative staff and therefore are at greater risk of being unduly influenced by a personal interest.)</i></p>		√		
ii)	<p>Whether the Interested Party's interest is consistent with or in conflict with the Group's interest. If there is a conflict, what is the value or impact of the conflicting interest?</p> <p>For instance, it is assumed that the greater the value or impact of a personal interest, the more probable that the decision or judgment of the Interested Party would be influenced.</p>	<p>One receives small value gifts from his/her business contact from time to time.</p> <p><i>(The gift may be small in value but if provided regularly may create and sustain a relationship that threatens his/her professional judgment or decision-making.)</i></p>			√	
		<p>A director owns a car retail outlet in Pekan Baru that sells passenger cars of other marques where the Group has no business activities.</p> <p><i>(The Group may expand its business activities geographically and compete with the director's outlet.)</i></p>			√	
		<p>A contractor has a 5-year maintenance contract with the Group.</p> <p><i>(The longer the contract period, the greater the possibility that the Interested Party would influence the Group's decision-making.)</i></p>			√	

CONFLICT OF INTEREST POLICY
APPENDIX II – Factors to be considered during the evaluation (Continued)

The following are the Group's evaluation criteria for reference purposes.

Likelihood		Probability of occurrence	Impact ¹ of Interest	Value of Interest
1	Improbable	Not likely to occur in the next 24 months	Insignificant	Not more than RM10k
2	Unlikely	Likely to occur between 12 and 24 months	Insignificant	More than RM10k but not more than RM100k
3	Likely	Likely to occur between 3 and 12 months	Moderate	More than RM100k but not more than RM500k
4	Very likely	Likely to occur within 3 months	Major / Catastrophic	More than RM500k

¹ Refer to "Impact" of table below.

Impact		Legal / Compliance	Reputation	Loss of assets
1	Insignificant	<ul style="list-style-type: none"> No litigation consequences Issuance of advice letter 	<ul style="list-style-type: none"> Minimal / no impact on reputation 	Estimated loss of not more than RM10k
2	Moderate	<ul style="list-style-type: none"> Issuance of advice letter from authorities / Principal 	<ul style="list-style-type: none"> Unfavorable information that would not disrupt the operation 	Estimated loss of more than RM10k but not more than RM100k
3	Major	<ul style="list-style-type: none"> Issuance of a warning letter from authorities / Principal Temporary suspension of the operation 	<ul style="list-style-type: none"> Negative national media coverage Loss of trust from business partners 	Estimated loss of more than RM100k but not more than RM500k
4	Catastrophic	<ul style="list-style-type: none"> Loss of distributorship Closure of the operation 	<ul style="list-style-type: none"> Serious national media coverage Sustained long term / permanent damage to the Group's image 	Estimated loss of more than RM500k

CONFLICT OF INTEREST POLICY

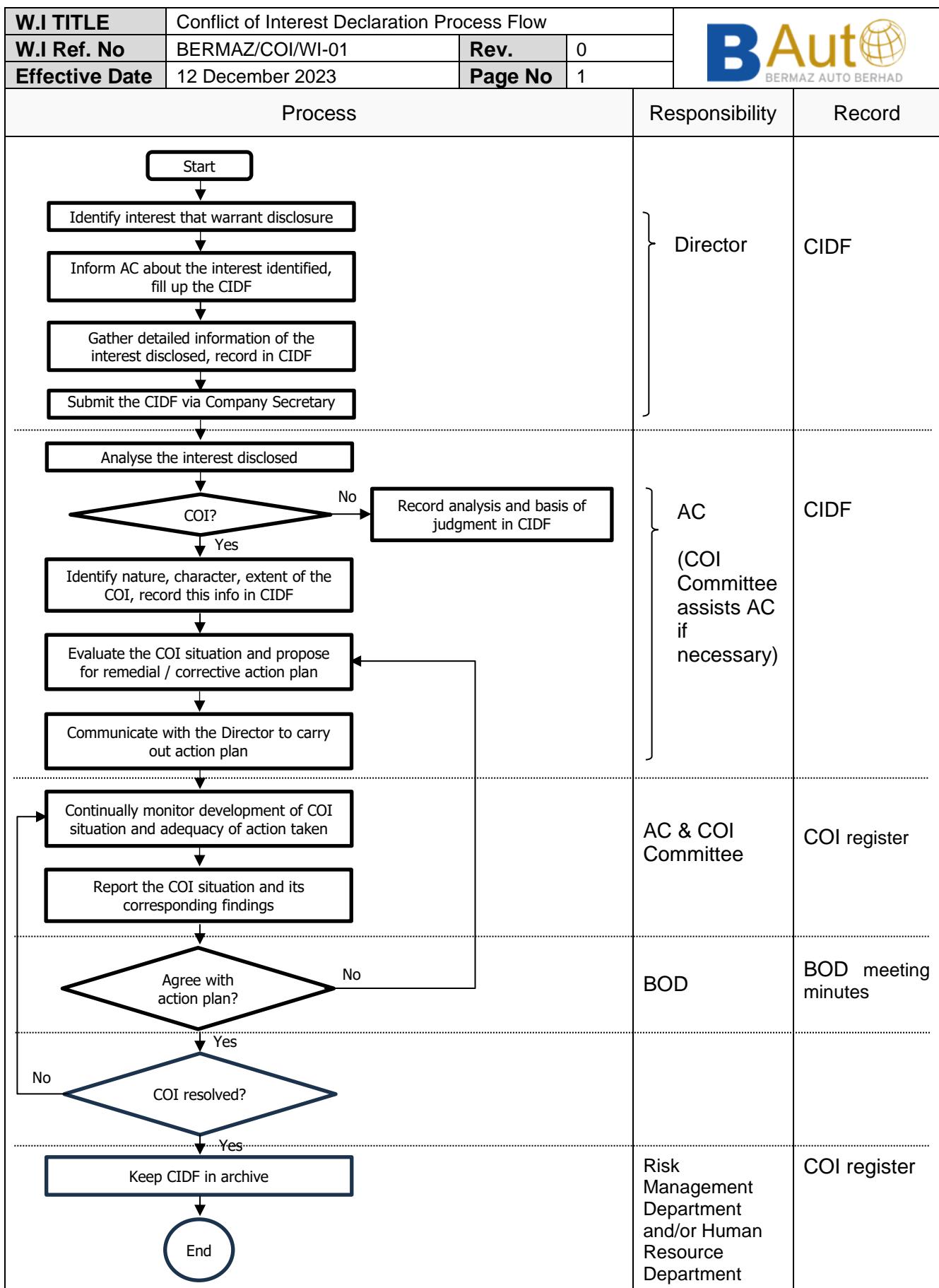
Appendix III – Conflict of Interest Declaration Form



FORM TITLE	Conflict of Interest Declaration		
FORM REF NO	BERMAZ/COI/F-01	REV NO	1
Effective Date	1 August 2024	PAGE NO	1
A. EMPLOYEE DETAILS			
Name		Department	
Staff ID		Contact No.	
Designation		Email	
B. INFORMATION TO DISCLOSE			
<input type="checkbox"/> No information to disclose	<input type="checkbox"/> I have personal interest to disclose (please √ the relevant boxes below and provide details of information)	<input type="checkbox"/> Cessation of interest / change of information disclosed previously (please √ the relevant boxes below and provide details of changes)	
<input type="checkbox"/> Employment and activities outside BAuto Group	<input type="checkbox"/> Board membership outside BAuto Group		
<input type="checkbox"/> Family members or close personal relationships	<input type="checkbox"/> Dealings with suppliers, dealers, customers, etc. (not within job scope / job description)		
<input type="checkbox"/> Investment activities	<input type="checkbox"/> Others: Please specify _____		
Please state details of the disclosed information / details of changes			
<p> </p> <p> </p> <p> </p>			
Declaration: I hereby declare that the information provided herein is complete and accurate.			
Signature		Date	
C. FOR GOVERNANCE PARTY # TO COMPLETE			
Please √:	<input type="checkbox"/> Conflict Identified (please complete C-1)	<input type="checkbox"/> No Conflict Identified (please complete C-2)	
C-1. Proposed action(s) to resolve/ manage the conflict:			
<p> </p> <p> </p>			
C-2. Justification that there is no conflict:			
<p> </p> <p> </p>			
Acknowledgement by Governance Party			
Name		Date	
Position		Signature	
D. FOR CONFLICT OF INTEREST COMMITTEE INTERNAL USE			
Remarks:	Declaration Reference No.		
Conflict of interest identified / not identified			
Reason: (refer to attachment)	Date of received:		
Action plan: (refer to attachment)	Received by:		
Reviewed by COI Committee on:	Conflict resolved on:		

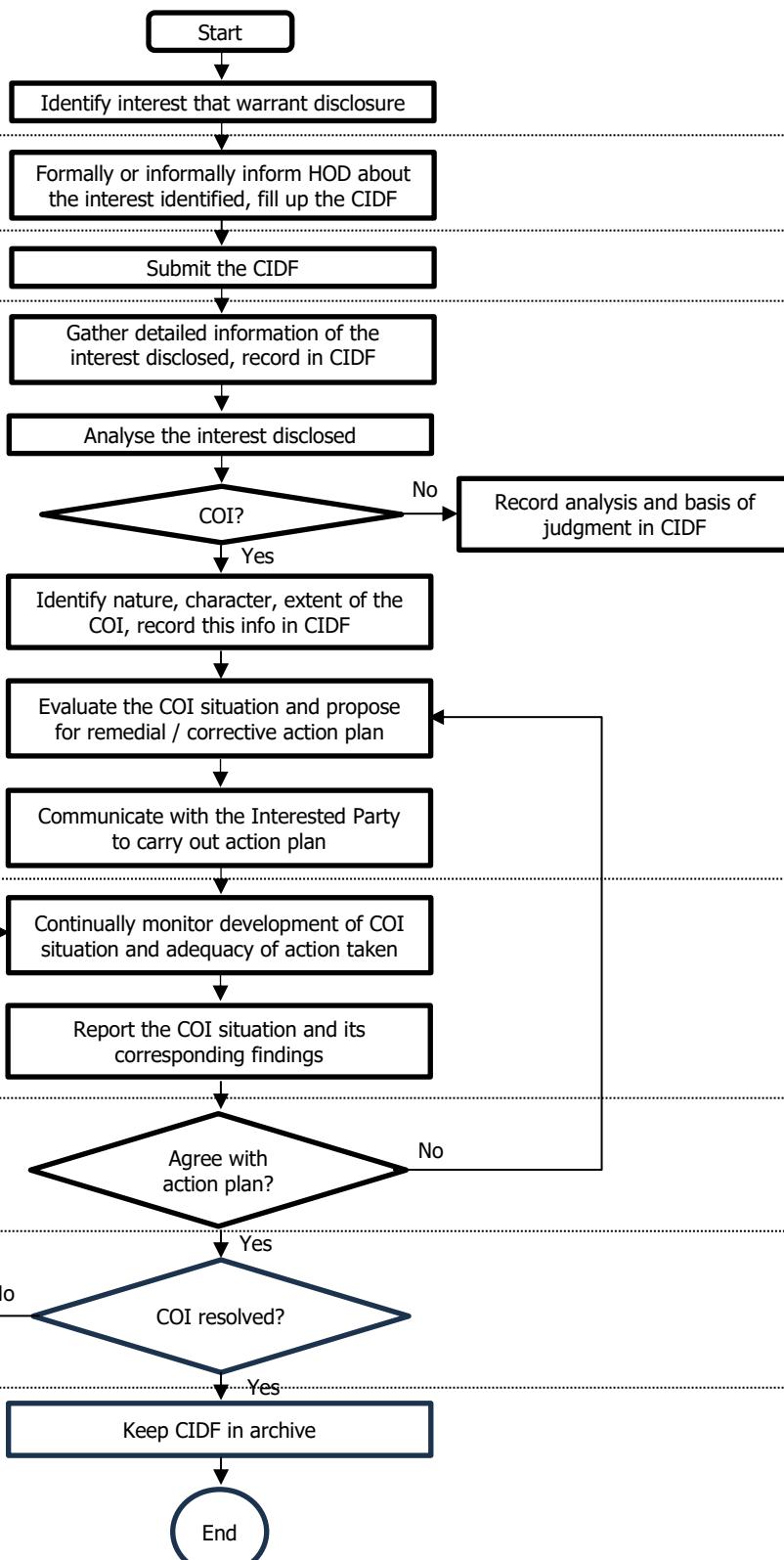
Governance Party refers to the various parties as set out in clause 6.1 of the Conflict-of-Interest Policy who are delegated specific roles and responsibilities in handling the COI situations (e.g. the Head of Department).

CONFLICT OF INTEREST POLICY
Appendix IV – Process Flow I (Director's COI disclosure)



AC = Audit Committee; BOD = Board of Director; CIDF = Conflict of Interest Declaration Form; COI = Conflict of Interest

CONFLICT OF INTEREST POLICY
APPENDIX V – Process flow II (COI disclosure for Interested Party other than Director)

W.I TITLE	Conflict of Interest Declaration Process Flow	BAuto BERMAZ AUTO BERHAD	
W.I Ref. No	BERMAZ/COI/WI-01		
Effective Date	12 December 2023		
Process		Responsibility	Record
 <pre> graph TD Start([Start]) --> Identify[Identify interest that warrant disclosure] Identify --> Inform[Formally or informally inform HOD about the interest identified, fill up the CIDF] Inform --> Submit[Submit the CIDF] Submit --> Gather[Gather detailed information of the interest disclosed, record in CIDF] Gather --> Analyse[Analyse the interest disclosed] Analyse --> COI{COI?} COI -- No --> Record[Record analysis and basis of judgment in CIDF] COI -- Yes --> IdentifyCOI[Identify nature, character, extent of the COI, record this info in CIDF] IdentifyCOI --> Evaluate[Evaluate the COI situation and propose for remedial / corrective action plan] Evaluate --> Communicate[Communicate with the Interested Party to carry out action plan] Communicate --> Monitor[Continually monitor development of COI situation and adequacy of action taken] Monitor --> Report[Report the COI situation and its corresponding findings] Report --> Agree{Agree with action plan?} Agree -- No --> ACBOD[AC & BOD meeting minutes] Agree -- Yes --> COIresolved{COI resolved?} COIresolved -- No --> ACBOD COIresolved -- Yes --> Archive[Keep CIDF in archive] Archive --> End((End)) </pre>			
Start	Identified Party		
Identify interest that warrant disclosure	Identified Party		
Formally or informally inform HOD about the interest identified, fill up the CIDF	Identified Party / HOD	CIDF	
Submit the CIDF	Identified Party	CIDF	
Gather detailed information of the interest disclosed, record in CIDF	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
Analyse the interest disclosed	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
COI?	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
Yes	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
Identify nature, character, extent of the COI, record this info in CIDF	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
Evaluate the COI situation and propose for remedial / corrective action plan	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
Communicate with the Interested Party to carry out action plan	Governance Party, ie. HOD / KSM Employee or Business Associate's disclosure	CIDF	
Continually monitor development of COI situation and adequacy of action taken	Governance Party & COI Committee	COI register	
Report the COI situation and its corresponding findings	Governance Party & COI Committee	COI register	
Agree with action plan?	AC & BOD	AC & BOD meeting minutes	
Yes	AC & BOD	AC & BOD meeting minutes	
No	AC & BOD	AC & BOD meeting minutes	
COI resolved?	AC & BOD	AC & BOD meeting minutes	
Yes	Risk Management Department and/or Human Resource Department	COI register	
Keep CIDF in archive	Risk Management Department and/or Human Resource Department	COI register	
End	Risk Management Department and/or Human Resource Department	COI register	

AC = Audit Committee; BOD = Board of Director; CIDF = Conflict of Interest Declaration Form; COI = Conflict of Interest; EC = Executive Chairman; GCEO = Group CEO; HOD = Head of Department; KSM = Key Senior Management