

Conflict of Interest Policy

OSKH-GHR-POL-003-1

26 August 2022

OSK

OSK Holdings Berhad (199001015406 (207075-U))	26 August 2022
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Revision History Log

Ver. No	Section	Section Name	Page	Details of Amendments	Effective Date	e-Circular No.
1	All	All	All	Conflict of Interest Policy published, supersedes the Conflict of Interest section in the Code of Conduct and Business Ethics Policy (OSKH-GHR-POL-001-1)	26 August 2022	OSKH/GHR/CIR/013

Glossary

Term	Description
“COI”	Conflict of Interest
“Directors”	Executive Directors and Non-Executive Directors (includes independent and non-independent directors)
“Employees”	Permanent, temporary, contract, part-time employees and interns under OSK Group
“Group” / “OSK Group”	OSK Holdings Berhad and its subsidiaries, collectively
“Head of Div.”	Chief Executive Officers or Head of Business / Functional Division
“Senior Management”	Refers to Executive Director and above

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A. POLICIES

A1. OVERVIEW

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- | | |
|---------------------------------|--|
| 1. Introduction | <ul style="list-style-type: none"> • This policy aims to set out what constitutes conflict of interest and to provide guidance in managing situations involving conflict of interest. |
| 2. Intended Audience | <ul style="list-style-type: none"> • This policy shall be applicable to all Directors and employees of OSK Group in all businesses and countries that OSK Group operates. |
| 3. Responsibilities | <ul style="list-style-type: none"> • All directors and employees have a duty and an obligation to disclose any potential of conflict of interest in performing their duties to the Group. |
| 4. Scope | <ul style="list-style-type: none"> • This policy comprises of the following three parts: <ul style="list-style-type: none"> ○ General Requirements ○ Areas of Conflict of Interest ○ Managing Conflict of Interest |
| 5. Referencing Documents | <ul style="list-style-type: none"> • This policy shall be read in conjunction with the following: <ul style="list-style-type: none"> ○ Code of Conduct and Business Ethics ○ Disciplinary Procedures ○ Related Party Transaction / Recurrent Related Party Transaction Policy |
| 6. Reviews and Notices | <ul style="list-style-type: none"> • This policy is subject to review by Group Human Resources when deemed necessary, or upon request by Senior Management. |

End

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A. POLICIES

A2. CONFLICT OF INTEREST

1. General

- **“Conflict of interest”** exists when the personal interest of a director or an employee conflicts with the interests of the Group. One can be placed in a position of conflict of interest or potential conflict, when an employee’s objective is compromised and his/her personal interest interferes with his/her discharge of his/her professional duties.
- Conflicts of interest include potential conflicts where the directors and/or employee’s professional duties cannot be impartially discharged or if doubts are created over their abilities to discharge the duties for the best interest of the Group, and regardless whether the Group suffered any damages / loss.
- It also arises when directors and/or employees favours personal gain over their professional and/or fiduciary duties to the organisation or exploits their positions to obtain personal gains.
- Directors and/or employees owe a fiduciary duty to the Group, and must not place themselves in a position where the employees’ interests’ conflict with that of the Group. The fiduciary duty requires the directors / employees to not derive any secret profit or advantage from a transaction through them by the Group.
- Directors and/or employees shall be alert to potential and perceived conflict of interest situations and shall diligently assess and avoid such activity or situation, which may involve or could arise as a result of change of personal engagement or family relationships.
- **“Family”** in relation to a person means such person who falls within any one of the following categories:
 - a) spouse;
 - b) parent;
 - c) child including an adopted child and step-child;
 - d) brother or sister; and
 - e) spouse of the person referred to in subparagraphs c) and d) above.

Note:

The above definition is adopted from [Bursa Malaysia’s Listing Requirements, Chapter 1: Definitions and Interpretation.](#)

- The following are common examples/situations where conflict or potential conflict may arise.

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- 2. Personal Financial Interest**

 - Directors and/or employees shall not have a financial interest in any organisation that the Group conducts business with or are in competition with, if that results in them being placed in a conflict (or potential conflict) of interest. Such organisation may include but not limited to customers, suppliers, competitors, distributors, contractors, partners and shareholders.
 - Directors and/or employees must disclose to the Group when employees and/or their families own or control 20% or more financial interest in customers, suppliers, contractors, competitors or any business enterprises which do or seek to do business with or provide services to the Group.
 - Directors and/or employees must not accept money or benefits of any kind for any advices or services provided to external parties in connection with its business with the Group.

- 3. Other Employment or Business Interest**

 - Director and/or Employees shall seek the prior written approval of the Senior Management in the event they wish to be involved in activities which may give rise to situations of COI.
 - It is recommended that prior to seeking formal approval, the Director/Employee consult the Head of Division and/or the GHR. Situations relating to COI shall include but is not limited to those listed below:
 - Is employed or is engaged in a company/business which has dealings with the Group or with existing or prospective Group's customers and suppliers in an employee's private capacity;
 - Provides service as an advisor, consultant, director, officer or general partner of an organisation which is connected and/or in conflict to the Group's business activities;
 - Owns or carries out a business as a sole proprietor or in partnership; and
 - Assumes an active political role either in Parliament or State Assemblies or political parties
 - The Group reserves the right to demand the said director and/or employee to discontinue his/her involvement in any of the above if the Group observes any conflict of interest.

- 4. Competing Against the Group**

 - Directors and/or employees must not engage in activities that conflict with the Group's business interests i.e., commercially marketed products or services in competition with current or potential business of the Group.

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**5. Usage of
Group's
Resources**

- Directors and/or employees shall not carry out any outside work / private business during working hours including time off given to handle personal matters. Directors and/or employees are not permitted to use Group's infrastructure, telephones, materials, resources or confidential information for any outside work or to engage in any direct or indirect conflicting activities with the Group.

End

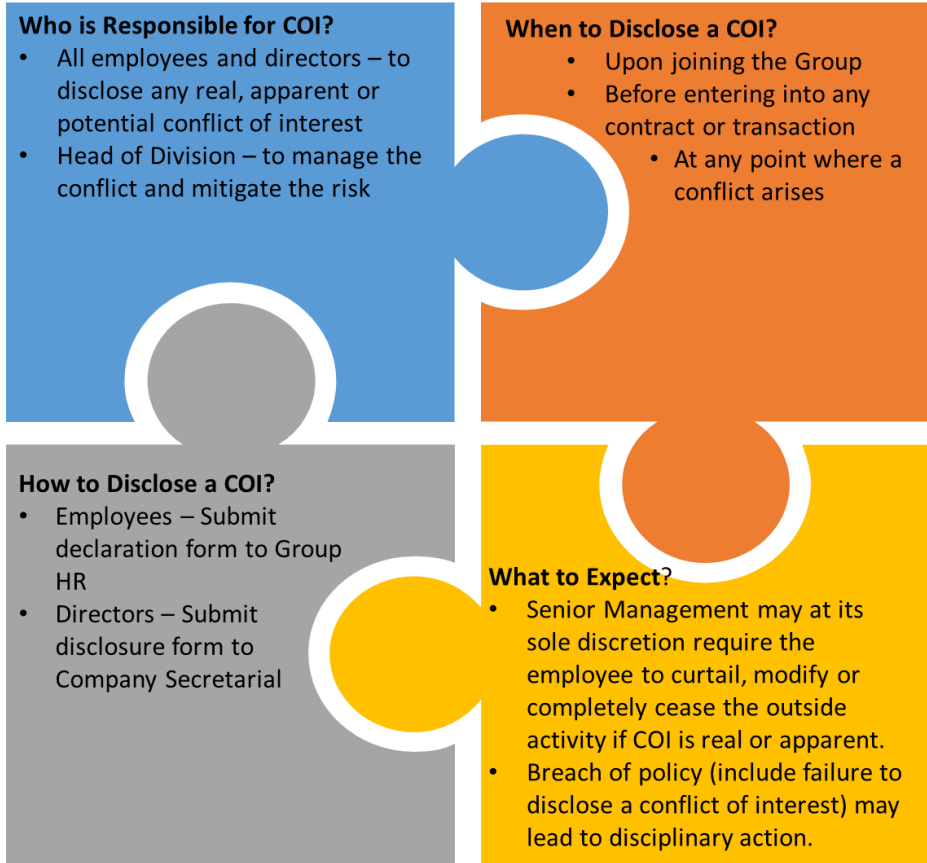
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A. POLICIES

A3. MANAGING OF CONFLICT OF INTEREST

1. Overview

- The following provides an overview on how a Conflict of Interest (“COI”) is managed at OSK:



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2. Disclosure Procedure

- Directors and/or employees are required to disclose the existence of any real, apparent or potential conflict of interest upon joining the Group, before any contract or transaction is entered into / carried out, and at any point where conflict arises.
- Directors and/or employees are required to make their declarations through the Conflict of Interest Form annually or whenever a conflict of interest arises and submit to GHR (for all employees) or Company Secretarial (for all directors).

Note:

Refer to [Appendix I for Conflict of Interest Disclosure Statement](#) (applicable to all employees).

Refer to Disclosure of Interest prescribed under [Related Party Transaction / Recurring Related Party Transaction Policy](#) (applicable to all directors).

- In addition to the declaration, employee with conflict and respective Head of Div. must take reasonable steps to manage the conflict and to mitigate the risk, include but not limited to limiting access to information or rearranging duties or responsibilities to non-conflicting function. Such conflict must be made known to Head of Div. and/or GHR at earliest opportunity.
- If in doubt whether there is a conflict of interest, employees should discuss and consult with the immediate superiors, Heads of Div. or GHR for advice.
- On receiving such a disclosure, the Senior Management may at its sole discretion require the employee to curtail, modify or completely cease the outside activity, if it is in the opinion that it creates a real, potential or apparent conflict of interest with OSK Group.

3. Breach of Policy

- Any breaches of clauses in this policy including failure to disclose a conflict of interest may lead to disciplinary action.

End

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B. APPENDIX

Appendix I – CONFLICT OF INTEREST DISCLOSURE STATEMENT



CONFLICT OF INTEREST DISCLOSURE STATEMENT

SECTION A: To be filled up by employee

General Information	
Name: _____	Employee No.: _____
Company: _____	Division / Department: _____

Employee Declaration

- My family member(s) or I do not own or control 20% or more financial interest in OSK Group's customers, suppliers, contractors, competitors or any business enterprises which do or seek to do business or provide services to OSK Group.
- *Family member(s) includes a) spouse, b) parent, c) child (including an adopted child and step-child), d) brother or sister and e) spouse of the person referred to in c) and d) above. This definition is from Bursa Malaysia's Listing Requirements.*
- I hereby declare that I DO NOT HAVE any real, apparent or potential conflict with my duties as an employee / director of OSK Group, as defined in OSK Group's Conflict of Interest Policy ("Policy"). If there is a conflict of interest, please provide further details in section below.
- I also acknowledge the requirement to and shall accordingly update the company (or Group) and make another appropriate declaration in the event of any change(s) relating to my previous declaration(s) or whenever a conflict or potential conflict of interest arises and, furnish further particulars in compliance with the Policy.
- I confirm that I have read and understand the Policy, and agree to observe and adhere to the Policy throughout my employment with OSK Group.
- I confirm that this form has been completed to the best of my knowledge and that the information contained on this form is complete and accurate. I understand that non-disclosure and/or partial disclosure of any conflict of interest may result in consequential action being taken.

**Refer to OSK Intranet for latest copy of Conflict of Interest Policy.*

Please provide details of the conflict of interest, if any (use separate sheet if necessary):

_____	Name: _____
_____	NRIC: _____
(Signature)	Date: _____

SECTION B: To be filled up by Group Human Resources

Review and Decision

- There is no conflict of interest.
- There is conflict of interest. Proposed action to be taken to mitigate the declared conflict:

Decision by: _____	Date: _____
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