



**Topmix Berhad**  
(Incorporated in Malaysia)

## **Conflict-of-Interest Policy**

TM-CG-P04

VERSION 1.0

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## 1. Introduction

Topmix Berhad and its subsidiaries (“Topmix” or “the Group”) are committed to maintain the highest of ethical standards and recognizes that it must be always seen to be acting in accordance with highest standards of governance. Accordingly, Topmix expects all staff to conduct themselves with integrity, impartiality, and professionalism always, and to avoid any conflict of interest that may arise in the performance of their duties.

Proper identification and management of conflicts of interest ensures that business decisions are made in the best interests of the Group and is protected from any consequent damage to its activities and reputation.

## 2. Purpose

The purpose of this Conflict-of-Interest Policy is to ensure that actual, potential, and perceived conflict-of-interest are identified and managed effectively. It is intended to provide guidance on how to deal with conflict-of-interest situations as they arise.

This policy applies to all Directors and employees of Topmix (including staff on contract terms, temporary staff, and those on internship). For this Policy, employees include consultants engaged by Topmix on a full-time basis.

## 3. Scope and Application

This Policy applies whenever an individual recognizes, or should reasonably recognize, that a conflict of interest may arise from their current or future activities. The policy provides guidance on how to identify and declare all conflicts of interest, how to develop, implement and monitor actions to appropriately manage the conflict, and how to deal with breaches of this Policy. The scope of this Policy is relatively wide in its coverage of activities that may give rise to conflicts of interest. As it is not possible for the Policy to be all-inclusive, Director and employees must exercise reasonable judgement and comply with the spirit of this Policy and not just the letter of the Policy.

### Definitions

“Beneficial interest” : To the right to receive economic benefits from an asset without being the legal Owner of the asset, e.g. entitlement of income from shares held through a nominee.

“Conflict of interest” : Is a situation in which an individual’s personal interest clashes with the professional interest owed to his/her employer, potentially undermining the impartiality of the individual concerned. Conflict of interest includes actual, potential, or perceived conflict of interest.

“Family member”	:	in relation to a person, means: <ul style="list-style-type: none"><li>i. A spouse of the person;</li><li>ii. A brother or sister of the person, or their spouses;</li><li>iii. A brother or sister of the spouse of the person;</li><li>iv. A lineal ascendant or descendant of the person (e.g. parents or children);</li><li>v. A lineal ascendant or descendant of a spouse of the person (e.g., parents-in-law);</li><li>vi. A lineal descendant of a person referred to in (ii) above (e.g., niece or nephew)</li><li>vii. The uncle, aunt, or cousin of the person; or</li><li>viii. The son-in-law or daughter-in-law of the person</li></ul> For this Policy, family members also include persons with whom an intimate relationship exists.
“HOD”	:	Head of Department / Division
“IDD”	:	Integrity and Discipline Department Head of Finance / Head of HR
“Material”	:	In relation to shareholding means equity ownership of 5% or more.
“Group”	:	Topmix Berhad and its subsidiaries

#### 4. Identifying Conflicts of Interest

In general, a conflict of interest would arise where a person’s ability to perform his/her duties effectively and impartially is potentially impaired by personal interests, considerations, or relationships.

Generally, conflicts of interest may be described under the following broad categories:

- i. Equity ownership in entities having a business relationship with Topmix

This is where a director or an employee holds shares in privately owned entities having a business relationship with Topmix, either directly or indirectly (e.g., through a family member). This does not apply to shares held in publicly quoted companies which have a business relationship with Topmix unless such holding is material, and the interest is likely to impair the objectivity of the Director or employee concerned.

- ii. Directorship, partnership, or other forms of beneficial interest in entities having a business relationship with Topmix.

iii. Other employment, business appointments or undertakings a conflict of interest may arise where employees hold other part time employment or have other business appointments or undertakings. An employee is expected to devote his/her time, attention, and commitment during work hours to his/her job duties. A conflict of interest can also arise where participation in any business activity outside working hours demands excessive time and attention from the employee, thereby depriving the employee's best effort on the job or resulting in a negative impact on performance.

iv. Personal relationships

A conflict of interests would exist if a family member of an employee has a reporting relationship with the employee. An 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 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 which have a contractual arrangement with Topmix. An example would be where a Topmix employee's spouse working in a company providing consultancy services to Topmix. This also applies to situations where a family member of a Topmix staff is working in a company bidding for a project to be awarded by Topmix, although there is no contractual arrangement yet.

v. Contractual dealings with employees

This refers to situations where Topmix 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 give rise to a conflict of interest and should not occur except in exceptional circumstances.

vi. Dealings with competitors

If a director, employee or family member of a director or employee has financial or other interest or any involvement in the business of a competitor, or holds a directorship in a competitor, such situation would give rise to a conflict of interest. This does not apply to the holding of publicly quoted shares of competitor companies unless such holding is material and the interest is likely to impair the objectivity of the Director or employee concerned. If an employee has accepted employment with a competitor, this could also result in a conflict of interest during the period in which the employee is still employed with Topmix, especially if the employee is dealing with sensitive or confidential information.

As such, the conflict of interest must be declared immediately upon acceptance of employment with the competitor to enable Topmix to take the necessary actions to manage the conflict.

vii. 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 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 investigation team tasked with investigating the allegation.

viii. Acceptance of meals or entertainment

The acceptance of 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 Topmix's Anti-Bribery and Corruption Policy to ensure that nothing is received/given which might create a conflict of interest or bring their integrity into question.

## **5. General Responsibilities**

All employees are responsible for identifying and managing conflicts of interest on an ongoing basis and are required to:

- i. Comply with this Policy and other applicable policies and guidelines relating to the identification, documentation, escalation and management of conflicts of interest;
- ii. Act with objectivity, integrity and independence, and exercise sound judgement and discretion;
- iii. Avoid, wherever possible, situations giving rise to conflicts of interest as described in this Policy; and
- iv. Immediately declare the conflict of interest in accordance with this Policy, remove themselves from the decision-making process and not seek to influence such decisions any further.

## **6. Managing Conflicts of Interest**

- 6.1 Any conflict of interest must be declared by filling up the Conflict-of-Interest Declaration Form. The conflict of interest must be escalated to the HOD for further action. In the case of Directors, the conflict must be disclosed to the Board of Directors and recorded by the Company Secretary. The declaration shall be made as and when the conflict arises and shall be made at earliest opportunity, i.e., as soon as the Director or employee becomes aware of the conflict.

- 6.2 The completed Form shall be forwarded to IDD by the HOD of the person with the conflict. A sample of the Form is attached in Appendix 1.
- 6.3 In addition to declaring the conflict of interest, appropriate steps must be taken to manage the conflict and to mitigate the impact of the conflict on the decision-making process. Ideally, the conflict should be avoided altogether, e.g., by relinquishing the interest that gives rise to the conflict. However, there are circumstances where it may not be practical to totally avoid the conflict, in which case, appropriate actions must be taken, depending on the nature and severity of the conflict.
- 6.4 Where conflict is not likely to arise frequently, and the impact of the conflict is minimal, the participation of the person in the decision-making process should be restricted. Restriction should include, but is not limited to the following:
- i. Not participating in any critical setting or decision-making role in the process.
  - ii. Refraining from discussions about the matter.
  - iii. Limiting access to information and denying access to sensitive documents or confidential information in the process.
  - iv. Abstaining from voting on the decision.
- 6.5 Where the conflict is ongoing and could have serious implications, the person with the conflict should be removed from the process, which includes the following:
- i. Abstaining from any involvement whatsoever in the matter.
  - ii. Rearranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the conflict.
  - iii. Transferring the person with the conflict to another project or another area of the Company.

## **7. Monitoring Conflicts of Interest**

- 7.1 IDD is responsible for monitoring conflicts of interest involving staff. Upon receiving the Conflict Interest Declaration Form, IDD shall review the actions taken to address the conflict and decide, on a case-by-case basis whether such actions are appropriate and/or sufficient.
- 7.2 If IDD is of the view that actions taken by the person with the conflict or the HOD is not sufficient to manage or address the conflict, further action shall be recommended by IDD.
- 7.3 In the event of a dispute between the person with the conflict or his/her HOD and IDD, the matter shall be escalated to the Managing Director for a decision to be made. IDD shall be consulted if there are any doubts with regards to a conflict-of-interest situation.

- 7.4 For conflicts of interest involving staff, IDD shall maintain records of all conflict-of-interest declarations as well as other related documents such as documentation reflecting the mitigating actions taken. For conflicts of interest involving Directors, the Company Secretary shall maintain records of the declarations and any related documents according to requirement under Section 219 and Section 221 of Company Act 2016.
- 7.5 The process for declaring, managing, and monitoring conflicts of interest involving staff is shown in Appendix 2.

## **8. Breach of Policy**

Failure to disclose a conflict of interest, provide complete and accurate information on the conflict or appropriately manage the conflict is a breach of this Policy and could result in disciplinary action being taken by the Group.

## **9. Review of this Policy**

The Board will review this Policy periodically to ensure that it continues to remain relevant, appropriate and consistent with the Group's practices, Malaysian Code on Corporate Governance or any other applicable regulatory requirements.

The Board adopted this policy on 26 June 2023.



**Appendix 1 : Conflict of Interest Declaration Form**

## Conflict of Interest Declaration Form

*Please complete this form if you believe that you may be involved in a conflict of interest situation or if you are unsure and seek to disclose a potential or perceived conflict of interest. Please read the Topmix Conflict of Interest Policy.*

<b>SECTION 1: PERSONAL DETAILS</b>	
NAME:	
POSITION:	
AREA OF RESPONSIBILITY:	
PHONE:	EMAIL:
DEPARTMENT:	IMMEDIATE SUPERIOR:
<b>SECTION 2: DISCLOSURE DETAILS</b>	
The actual, potential or perceived conflict of interest relates to: <i>(tick all appropriate box/s)</i>	
<input type="checkbox"/> Relationship with family or friends	<input type="checkbox"/> Staff recruitment
<input type="checkbox"/> Outside work activities (paid/unpaid)	<input type="checkbox"/> Relationship with external parties
<input type="checkbox"/> Financial interest	<input type="checkbox"/> Partnership/Director of another business
<input type="checkbox"/> Gifts/benefits	<input type="checkbox"/> Provision of external consultancy services
<input type="checkbox"/> Provision of private tutoring	<input type="checkbox"/> Other (if you selected other please provide details)
<input type="checkbox"/> Procurement of goods and services	_____
The following actual, potential or perceived conflict of interest has been identified. <i>(please insert all relevant details)</i>	
When did the conflict arise	
Disclosed to HOD: Yes / No	Date:
The (actual, potential or perceived) conflict is expected to last: <i>(tick appropriate box)</i>	
<input type="checkbox"/> 0-12 months	<input type="checkbox"/> >12 months or ongoing

SECTION 3: TO BE COMPLETED BY THE EMPLOYER
<p>In my opinion the details provided: <i>(tick appropriate box)</i></p> <p><input type="checkbox"/> do not constitute a conflict of interest, and I authorise the employee to continue the activity (go to Section 4).</p> <p><input type="checkbox"/> do constitute an actual, potential or perceived conflict of interest (please provide a detailed action plan below).</p> <p>If the situation does constitute a conflict of interest, please ensure that the following actions have been considered:</p> <ul style="list-style-type: none"><li>• ensure all information surrounding the conflict has been disclosed and documented</li><li>• inform likely affected persons of the conflict, seeking their views where relevant as to whether they object</li><li>• reformulate the scope of work or restricting access to certain information</li><li>• recruit a third party to oversee part or all of the process</li><li>• recommend relinquishing the interest that is causing the conflict</li><li>• temporarily remove the person from the process or responsibilities</li><li>• monitor the person's activities closely in relation to the conflict of interest</li><li>• take no further action because the conflict is minimal.</li></ul>
<p>I have reviewed the above considerations and request that the Employee takes the following action to eliminate/manage the conflict:</p>          
<p>I will ensure this action plan is reviewed:</p> <p><input type="checkbox"/> Within 1 month                      <input type="checkbox"/> Within 3 months                      <input type="checkbox"/> Within 6 months</p> <p><input type="checkbox"/> Within 12 months                      <input type="checkbox"/> Other – specify                      <input type="checkbox"/> N/A: the conflict is one-off or short duration</p>
SECTION 4: EMPLOYEE'S DECLARATION
<p>I hereby declare that the information provided herein is complete and accurate.</p>   <p>.....</p> <p>NAME:</p>  <p>DATE:</p>
SECTION 5: Remarks by IDD
<p>The actions described in the approach outlined in Section 3 have been put in place to effectively manage any actual, potential or perceived conflict of interest disclosed in Section 2. The approach outlined in Section 3 ensures that the Topmix's public interests and reputation is adequately protected.</p>   <p>.....</p> <p>NAME:</p>  <p>DATE:</p>

**Appendix 2 : Conflict of Interest Declaration Process Flow**

