BEE SAME GROUP BERHAD

Registration No. 202501045773 (1647181-D)
(Incorporated in Malaysia)

GROUP RISK MANAGEMENT POLICY

Version: 1.0
(Approved by the Board of Directors of the Company on 24 April 2026)

1. INTRODUCTION

Structured risk management process is a critical business management process, led by the Board of Directors ("the Board") of **Bee Same Group Berhad** (hereinafter referred to as "Bee Same Group" or "the Company") and its subsidiaries (collectively referred to as "the Group") and the involvement of all level of employees as well as internal and external stakeholders, to identify and manage risks to be within its risk appetite and to maximise the opportunity identified on an enterprise wide basis.

2. OBJECTIVE

The aim of this process is to provide a reasonable assurance to the achievement of the strategic, operational, reporting and compliance objectives of the Group.

- Strategic objectives - to provide a reasonable assurance that the mission, vision, core values, strategies and business objectives as set out could be achieved;

- Operational objectives - to provide a reasonable assurance of effective and efficient use of the Group's resources, including setting operational and financial performance goals, and to safeguard the assets of the Group;

- Reporting objectives - to provide a reasonable assurance that the information made available from internal and external financial and non-financial reporting is relevant, reliable, timely, transparent or in accordance with policies and procedures of the Group; and

- Compliance objectives - to provide a reasonable assurance that the Group is in compliance with applicable laws and regulations in the jurisdictions that the Group operates.

3. PURPOSES

The risk management process is designed to:

- formalise the risk management functions across the Group;

- create greater staff awareness towards risk and opportunity identification, measurement, control/optimisation and ongoing monitoring;

3. PURPOSES (Cont'd)

- coordinate and standardise the understanding and application of risk management within the Group; and

- ensure compliance by the Board of Directors with its organisational obligations and duties of care and diligence in accordance with the Malaysian Code of Corporate Governance (2021) ("MCCG"), Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers) and the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The successful management of risk within the Group depends upon risk management being:

- An integral part of strategic and operational planning and activities throughout all levels of the Group; and

- Easy to incorporate into the daily activities and being seen as helpful in achieving the Group's vision.

The principles, practices and process of this Group Risk Management Policy established by the Board are, in material aspects, guided by the ISO 31000:2018 – Risk management – Guidelines.

4. DEFINITIONS

Risk is defined as an unfortunate event taking place which will result in the organisation not being able to maximise stakeholder value nor able to achieve its business objectives. It is measured in terms of likelihood and severity of impact.

Opportunity is those action or potential action that creates or alters goals or approaches for creating, preserving and realising value.

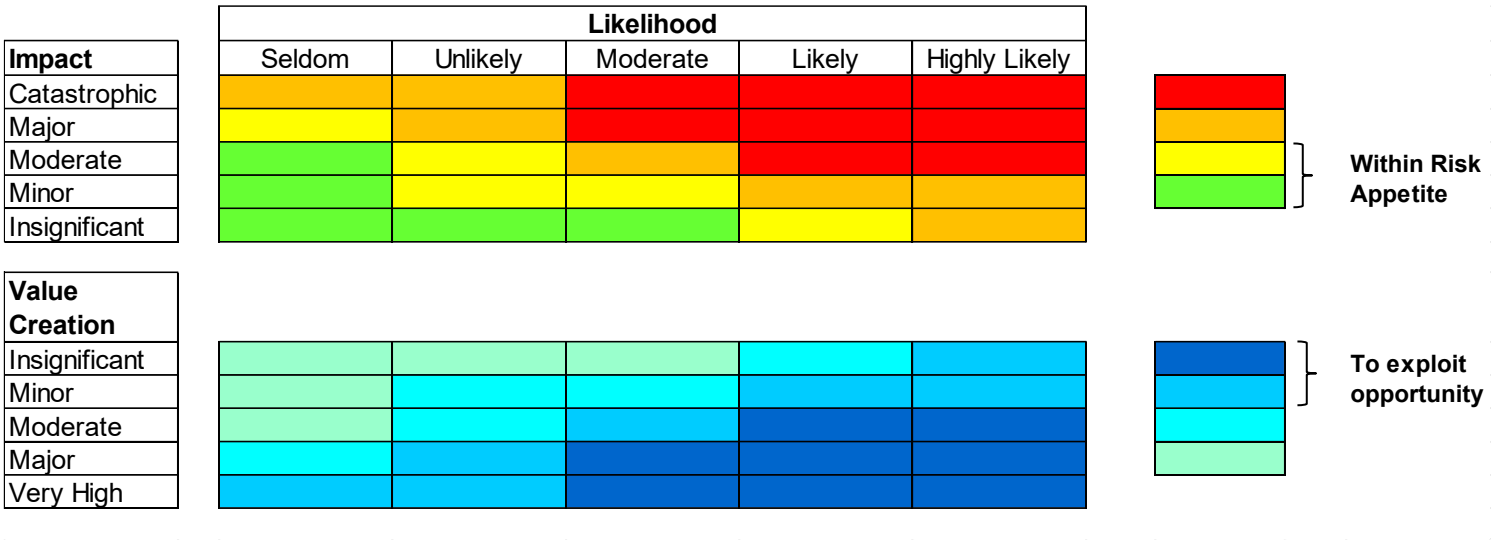
Controls are policies, standards, procedures, physical changes put in place to minimise adverse risks.

5. RISK APPETITE

Risk appetite is the amount of risks that the Group is willing to accept in pursuit of its objectives, mitigated by actions deemed necessary to reduce the risk involved. The benefits and values from the pursuit need to be balanced against the threats and risks associated with the pursuit and the pursuit should not place unnecessary risk to the Group.

It is acknowledged that there is a certain level of risk to be undertaken in business and the Board determines the level of risk acceptance and opportunity to be explored as follows:

5. RISK APPETITE (Cont'd)



The risk appetite will be annually reviewed to reflect the changes in the internal and external business context. Business context is defined as "the trends, events, relationships and other factors that may influence, clarify, or change the current and future strategy and business objectives of the Group".

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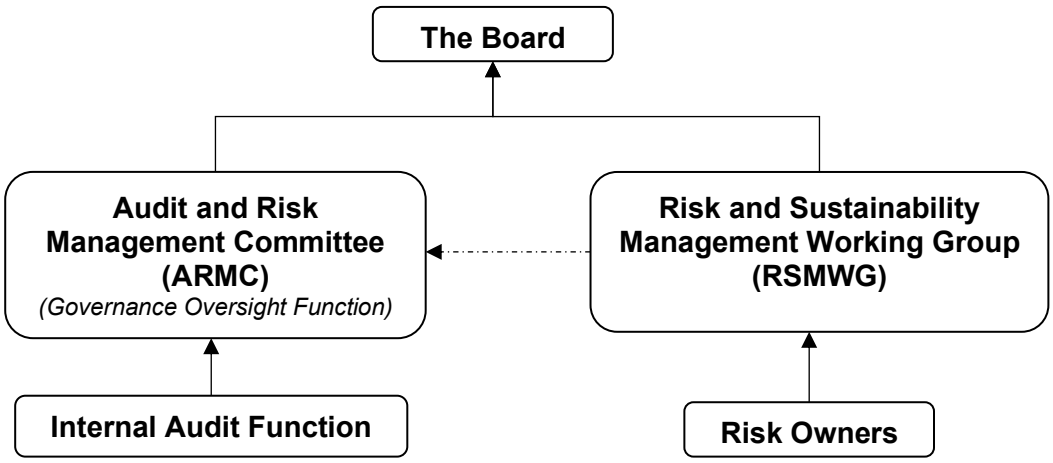
6. OUTLINE OF RISK REPORTING STRUCTURE



The roles and responsibilities of each function in the proposed risk management reporting structure are as follows:

Function		Roles/Responsibilities
Board of Directors ("the Board")	:	Primarily responsible for risk management on group-wide basis. This would involve: (a) determine and approve the Group Risk Management Policy as well as the Group's risk appetite; (b) periodic review Risk & Opportunity Register ("ROR") of the Group and proposed management action plans reported by ARMC; and (c) to continually improve the suitability, adequacy and effectiveness of the Group Risk Management Policy.
Audit and Risk Management Committee ("ARMC")		Delegated with the oversight roles by the Board in relation to risk management, which includes the following: (a) review, assess and recommend the Group Risk Management Policy and Group's risk appetite to the Board; (b) oversees the implementation and compliance with the approved Group Risk Management Policy; (c) review the ROR at least once annually or when appropriate and review the management action plans proposed by Risk Owners in managing the changes and reported risk incidents;

6. OUTLINE OF RISK REPORTING STRUCTURE (Cont'd)

Function	Roles/Responsibilities
Audit and Risk Management Committee ("ARMC") (Cont'd)	Delegated with the oversight roles by the Board in relation to risk management, which includes the following: (d) review risk incidents escalated, including assessing the status of responses, whether adequate management action plans are taken promptly to resolve the incidents and improvement made to Group Risk Management Policy and subsequently report the results of the review to the Board; (e) review the adequacy, effectiveness and integrity of the Group's financial, operational and compliance controls established; and (f) review the adequacy and effectiveness of the Group's internal controls system through internal audit reports presented by Internal Audit Function and other assurance functions (if any).
Risk and Sustainability Management Working Group ("RSMWG")	RSMWG comprised of Key Senior Management as members and headed by the Managing Director ("MD"), is delegated with the task of implementing the approved Group Risk Management Policy and continuous risk monitoring. The duties of the RSMWG are as follows: (a) develop Group Risk Management Policy and propose them to ARMC and the Board for review and approval; (b) implement the approved Group Risk Management Policy; (c) execute the risk management process which includes the identification of key risks, development of appropriate management action plans in cases where existing controls are ineffective, inadequate or non-existent and establishment of communication methodology with the Risk Owners; (d) increase awareness among the Group's employees regarding the relevance and importance of risk management by providing guidance and training; (e) continuous review and update of the ROR;

6. OUTLINE OF RISK REPORTING STRUCTURE (Cont'd)

Function	Roles/Responsibilities
Risk and Sustainability Management Working Group ("RSMWG") (Cont'd)	The duties of the RSMWG are as follows (Cont'd): (f) review risk incidents reported by Risk Owners and ensure appropriate management action plans are undertaken and escalate such reported risk incidents to ARMC if it is material; and (g) provide updates to the Board, through the ARMC, on changes to the ROR at least once annually or when appropriate and management action plans proposed by Risk Owners.
Risk Owners	The responsibilities would be: (a) identify and manage the risks associated with the business processes under his / her control; (b) continuously identify risks and evaluate the effectiveness of existing controls. If the controls are deemed ineffective, inadequate or non-existent, establish and implement controls to reduce the likelihood and/or impact; (c) promptly report to the RSMWG any emergence of new risks or change in the existing risks, along with the management action plans; (d) assist RSMWG with the yearly update of the ROR, including updates of management action plans and the status of these plans; (e) ensure that employees working under him/her understand the risk exposure associated with the relevant process under his / her duty and the importance of the related controls; and (f) ensure the adequacy of training needs for employees involved in risk management.

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6. OUTLINE OF RISK REPORTING STRUCTURE (Cont'd)

Function		Roles/Responsibilities
Internal Audit Function	:	The Internal Audit Function is responsible for: (a) review of the adequacy and effectiveness of the Group's governance, risk management and control processes; (b) evaluate the design and implementation of internal controls across various processes and functions to ensure they adequately mitigate risks and safeguard assets. The findings are reported to the ARMC, providing insights into the effectiveness of internal controls and their alignment with Group's objectives; (c) review whether all relevant key risks and key risk events have been identified and managed adequately for business activity(ies) under review and report the same to ARMC; (d) verify compliance with the established internal controls and relevant laws and regulations; and (e) facilitate the monitoring and update of the ROR by RSMWG through audit findings brought up by the Internal Audit Function.

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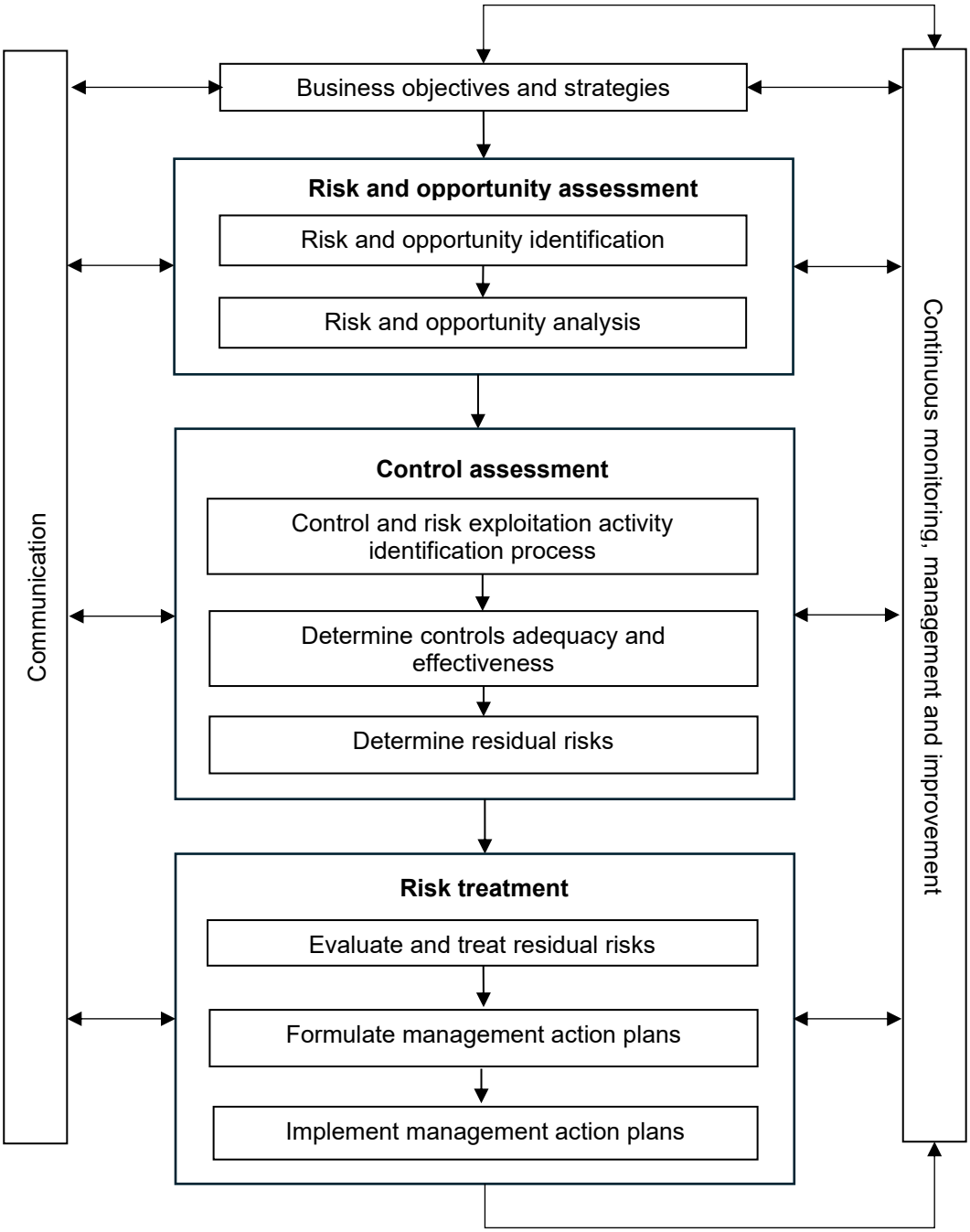
7. RISK AND OPPORTUNITY MANAGEMENT PROCESS SUMMARY



8. RISK AND OPPORTUNITY IDENTIFICATION PROCESS

In order to assess the Group's risks comprehensively, the Group is to utilise its risk and control parameters approved by the Board as well as the ROR as the common risk language and risk communication tool within the Group respectively.

The identification of risk is the joint responsibility of the RSMWG and Risk Owners. RSMWG and Risk Owners should have sufficient details as follows:

(i) The potential causes that could result in the risk event occurring; and
(ii) The potential consequences when such risk materialises.

9. RISK AND OPPORTUNITY ASSESSMENT PROCESS

Gross risk is the level of risk existing before any controls and/or treatment measures have been applied. The gross risk identified shall be analysed and rated based on the following criteria:

(a) Likelihood of risk occurring; and

(b) Severity of impact to the Group should the risk occur – financially, reputation and image, effects on safety, health and environment, risk consequence and opportunities.

10. CONTROL AND RISK EXPLOITATION ACTIVITY IDENTIFICATION PROCESS

As part of the risk and opportunity identification process, existing controls or risk exploitation responses put in place should be identified together with their Risk Owners.

Controls or risk exploitation responses referring to policies, standards, systems, procedures and physical changes put in place to mitigate adverse risks or to maximise opportunity(ies).

11. DETERMINING RESIDUAL RISK

Residual risk is the level of risk remaining after managing it through treatment and/or control measures.

The gross risk shall be rated at **Residual level** when all the relevant controls for a particular risk have been identified and the adequacy and effectiveness of controls put in place (in terms of the likelihood of the risk occurring and its severity of impact when it occurs after taking into consideration existing controls).

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12. RISK TREATMENT PROCESS

The objective of risk treatment is not to eliminate all residual risks but rather to ensure that the residual risk is maintained at an acceptable level in a cost-effective and efficient manner. On the other hand, the opportunity is fully exploited by strategies and/or management action plans formulated and implemented by RSMWG as an opportunity will not be realised if no active action is taken.

RSMWG and Risk Owners are primarily responsible for the treatment of risk exposures within their business operations. Risk treatment involves identifying the range of options for treating risk, assessing those options, preparing risk treatment plans and implementing those plans.

However, whatever strategies or management decisions are to address the unacceptable residual risk or opportunity level, specific strategies or management action plans need to be formulated, documented and monitored for implementation to ensure that the identified unacceptable risk is addressed.

13. CONTINUOUS MONITORING, MANAGEMENT AND IMPROVEMENT

The Group needs to ensure that there is an ongoing process for identification, evaluation and management of risks.

The Board is ultimately responsible for the Group's risk management process and approving the Group Risk Management Policy to ensure the risks of the Group are mitigated in accordance with the approved risk appetite, while opportunities are seized and optimised for long-term business sustainability. At the same time, ARMC undertakes ongoing review and monitoring of the Group Risk Management Policy to ensure its adequacy, effectiveness and efficiency in addressing the risks that may impact the Group and report the same to the Board for approval and deliberation.

RSMWG and Risk Owners use the ROR for the abovementioned process and perform updates at least once annually or whenever there are changes in the internal and/or external business environment that require such updates. The ROR shall be updated with the assistance and feedback from the Risk Owners and also through the results of the assurance activities.

Updated ROR shall be presented by RSMWG to the ARMC for deliberation and review. The ARMC will subsequently report the results of the review to the Board for its final review and approval.

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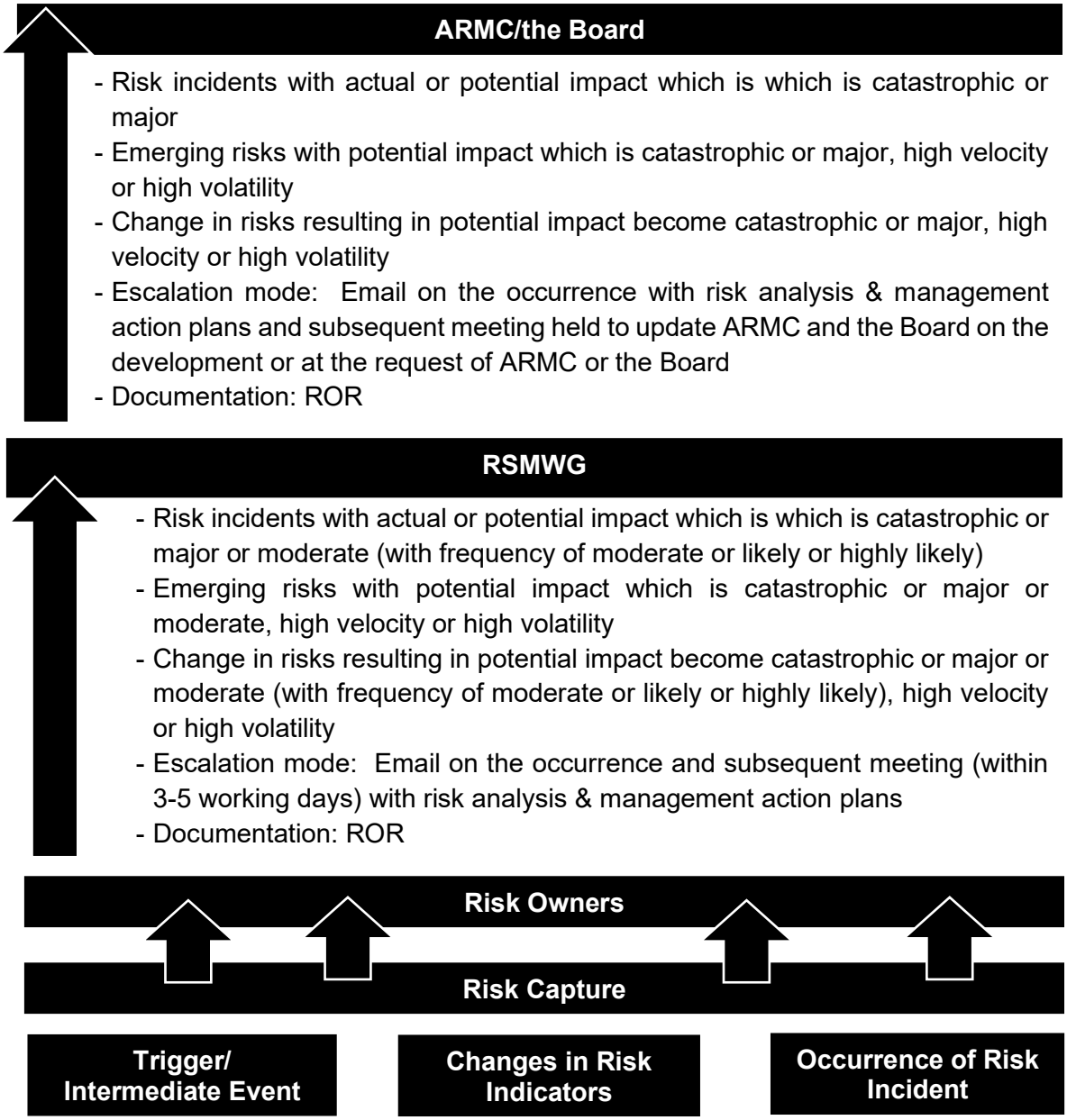
14. RISK ESCALATION MECHANISM



15. RISK COMMUNICATION

Risk communication is an important consideration at each step of the risk assessment process whereby it should involve both internal and external stakeholders (such as employees and customers, investors, suppliers, etc.) and engage with them to obtain their perspectives on the risk and opportunities in relation to the business operations of the Group and to provide the understanding to such stakeholders on the performance of the Group in addressing the risks or optimising the opportunities.

Continuous risk reporting is essential and should be seamlessly integrated into existing management reporting processes and structures. Any new risks and changes to existing risks should be timely escalated to the RSMWG for updating the ROR. The RSMWG should then report the updated ROR to the Board via the ARMC, in connection with changes to the existing risks or emergence of new risks, along with the compliance performance of the Group Risk Management Policy and the recommendation for continuous improvements. At least once annually or as deemed necessary, the ARMC should brief the Board on the significant risks faced by the Group along with the management action plans that have been put in place to mitigate the risks.

Risk communication with employees is facilitated through the provision of training to enhance employee's awareness towards the importance of risk management and improve their knowledge, skills and competency in risk management.

Effective risk communication with stakeholders involves two-way engagement activities with efforts focused on seeking feedback from the relevant stakeholder groups on their concerns or perspectives on the risks and opportunities facing the Group and to report to the stakeholder groups on the state and performance of risk management and internal control system via the issuance of the Statement on Risk management and Internal Control.

16. REVIEW OF THE POLICY

This Policy will be reviewed by the Board as and when required and updated in accordance with the needs of the Group and any new or changes in regulations that may have an impact on the discharge of the Board's responsibilities or changes in the internationally recognised standard for risk management, and in any event, at least once every three (3) years.