



ASIA FILE CORPORATION BHD

(313192-P)

(Incorporated in Malaysia)

CONFLICT OF INTEREST POLICY

OVERVIEW

Asia File Corporation Bhd and its subsidiaries (“**the Group**”) are dedicated to upholding, adhering to and practising high ethical standards of professionalism and integrity at all times in respect of its business and operations. In order to achieve the standard set therein, the Group therefore encourages all its employees and stakeholders (shareholders, customers and suppliers) to carry out their responsibilities in a professional, honest and ethical manner at all times and to avoid any conflict or potential conflict between their personal interest and the Group’s interest.

This Conflict of Interest Policy (“**Policy**”) is established to set out the framework and appropriate controls and measures to ensure systematic identification and management of such conflict of interest or potential conflict of interest in an effective and timely manner. The Policy aims to ensure that the interest of the Group is protected and that any situation which could give rise to a conflict of interest or potential conflict of interest will be handled and managed in an appropriate manner.

PURPOSE

The purpose of this Policy is to provide guidance on how to deal with the situations of actual, potential and perceived conflict of interest as and when they arise so as to protect the interest of the Group.

SCOPE

This Policy is intended to apply to all Directors and key senior management of the Group. This Policy applies whenever an individual recognises or should reasonably recognise that a conflict of interest may arise from their current or future activities.

IDENTIFYING CONFLICT OF INTEREST

Conflict of interest may arise when a person’s ability to perform his/her duties effectively or impartially is potentially impaired by personal interest, consideration or relationship.

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

a) Equity ownership in entities having a business relationship with the Group

This is where a Director or key senior management has ownership of share in privately owned companies having business relationship with the Group, 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 the Group, unless such holding exceeds 5% of the total shareholding and is considered to be material and the interest is likely to impair the objectivity of the Director or employee concerned.

b) Directorship, partnership or other form of interest in entities having a business relationship with the Group

This applies to situations where Director or key senior management hold a position or has interest in entities having a business relationship with the Group including financial interest in any of the Group's projects, contracts, sales, transactions or other business dealing or has Family Member, close relative or associate with such interest.

c) Personal relationship

A conflict of interest would exist if a Family Member of Director or key senior management has a reporting relationship with the Director, key senior management or employee which results in favouritism or unfairness to other employees. A conflict of interest would also arise if a Director or key senior management has a Family Member with an interest (e.g. in the form of ownership, directorships, partnerships, employment and etc.) in entities or organisations which have contractual arrangement with the Group.

d) Dealings with Competitors

If a Director or key senior management or their Family Member has any involvement (both financial or non-financial related) in the business of a competitor or holds directorship or equity interest in a competitor, such a situation may give rise to a potential conflict of interest. The above excludes holding of shares in publicly quoted shares in competitor companies unless such holding exceed 5% of the total shareholding of the competitor companies.

e) Personal gain through business related opportunities with the Group

This refers to situations where the Director or key senior management pursues personal gain related to the Group's business, utilising the Group's assets or information for personal gain and/or engaging in any form of competition with the Group for business opportunities.

For the purpose of this Policy, "Family Member" refers to the spouse, parent, children (including adopted and stepchild), siblings, and the spouse of the Director or key senior management's child or siblings.

GENERAL RESPONSIBILITIES

All Directors and key senior management of the Group are responsible in identifying and managing conflict of interest as well as to resolve, eliminate and mitigate the impact of the conflict of interest on an on-going basis and are required to:-

- a) comply with this Policy in relation to the identification, documentation, escalation and management of conflict of interest;
- b) act with objectivity, integrity and independence while exercising sound judgement and discretion;
- c) avoid wherever possible, situations giving rise to conflicts of interest as described in this Policy; and
- d) immediately declare the conflict of interest in accordance with this Policy, abstaining from the decision making process and avoid from influencing such decisions any further.

DISCLOSURE AND DECLARATION

Any conflict of interest must be declared and notified to the Company by completing the Conflict of Interest Declaration Form (Appendix A) as and when the conflict of interest or potential conflict of interest arises at the earliest opportunity when the Director or key senior management becomes aware of such conflict.

The conflict of interest must be escalated to the Audit Committee (“AC”) and the Board of Directors (“BOD”) by the Company for discussion.

The participation of the Director or key senior management who is involved in the conflict of interest or potential conflict of interest shall be restricted to the followings:-

- (a) Abstaining from any involvement whatsoever in the subject matter;
- (b) Refraining from discussing about the issue; and
- (c) Abstaining from voting on the decision.

AC shall review the declaration made by the Director or key senior management and propose the course of action required to manage, resolve, eliminate or mitigate the situations and report its findings to the BOD.

The Company secretary shall minute the declaration and also the decision taken to address the matters raised.

To further strengthen the disclosure process, the Directors and key senior management are required to make a declaration of conflict of interest or potential conflict of interest on an annual basis by completing the Conflict of Interest Declaration Form as set out in Appendix A of this Policy. The Company Secretary shall record each instance of disclosure made by the Directors and key senior management in the minutes of meeting during which the declaration was submitted. In cases where the declaration is made outside of the meeting times, the disclosure will be documented in the minutes of the next meeting.

All information disclosed under this Policy shall be strictly confidential.

POLICY REVIEW AND MODIFICATION

The Group reserves the right to review or amend this Policy from time to time as and when the need arises.

This Policy was adopted by the Board on 1 July 2023.



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CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST DECLARATION FORM

Section A: This form is required to be filled up by the Individual Director and Key Senior Management of Asia File Group (kindly indicate tick (✓) where applicable)

No	Conflict of Interest Situations	Please tick (✓) where applicable
1.	Do you or a person connected to you have ownership of shares in privately owned companies having a business relationship with the Group, either directly or indirectly (e.g. through a Family Member)?	
2.	Do you or a person connected to you hold a position or have interest in entities having a business relationship with the Group including financial interest in any of the Group's projects, contracts, sales, transactions, or other business dealings or has Family Member, close relative or associate with such interest?	
3.	Do any of your family members have a reporting relationship with the Director, key senior management, or employee of the Group? Or are there any family members who have an interest (e.g. in the form of ownership, directorships, partnerships, employment, etc.) in entities or organisations that have contractual arrangements with the Group?	
4.	Do you or a person connected to you have any involvement (both financial and non-financial related) in the business of a competitor or holds directorship or equity interest in a competitor which may give rise to a potential conflict of interest? <i>(The above excludes holding of shares in publicly quoted shares in competitor companies unless such holding exceeds 5% of the total shareholding of the competitor companies.)</i>	
5.	Do you or a person connected to you utilised the Group's assets or information for personal gain and/or engaging in any form of competition with the Group for business opportunities?	
6.	None of the above.	

Section B: Please provide the details including the company name, directorship and percentage of shareholdings and description of your interests for the questions that are applicable. In the event such interest relates to a person connected to you, please provide the aforesaid details and the relationship with the conflicted person.

Individual / Company Name	
Relationship / role	
Nature of interest and additional information (if any)	
Description of the conflict or potential conflict of interest	

I hereby confirm that this is a complete disclosure of all conflicts of interest or potential conflict of interest to the best of my knowledge.

Signature	
Name	
NRIC Number	
Position / Department	
Date	

Definition: Person connected under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad in relation to any person (referred to as "said Person") means such person who falls under any one of the following categories:

- (a) a family member of the said Person;
- (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
- (c) a partner of the said Person;
- (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
- (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (g) a body corporate which is a related corporation of the said Person.

