

ANCOM LOGISTICS BERHAD [Registration No.: 196601000150 (6614-W)] (Incorporated in Malaysia)	Date of Statement :	10/08/2023
	Last reviewed and approved by the Audit Committee :	29/08/2023
	Approved by the Board of Directors :	15/09/2023

CONFLICT OF INTEREST POLICY

1. INTRODUCTION

- 1.1 ANCOM LOGISTICS BERHAD (“ALB” or “Company”) and its subsidiaries (collectively “Group”) are committed to maintaining the highest ethical standards and governance. Accordingly, the Group expects all conflicted parties to conduct themselves with integrity, impartiality and professionalism at all times, and to avoid any conflict of interest that may arise in the performance of their duties.
- 1.2 As part of the daily activity of the Group, conflict of interest may arise. The Group’s Directors, major shareholders and other principal officers of the Group (collectively “Interested Persons” and each an “Interested Person”) must understand where such situations can arise and promptly declare any such situation to the Company to avoid or manage any conflict or potential conflict. The declaration shall not be made later than THREE (3) working days once the situation of conflict of interest or potential conflict of interest comes within the knowledge of the interested persons.
- 1.3 To protect the Group, its shareholders and other stakeholders against conflict of interest, the Group has established this Policy and a declaration procedure. This Policy aims to manage actual, potential and perceived conflict of interest (including interest in any competing business) and clearly state the principles with which the Group approaches any such situations.
- 1.4 This Policy is adopted in addition to the conflict of interest as provided under the Companies Act 2016, The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“AMLR”), ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”) and Malaysian Code on Corporate Governance (“MCCG”) 2021, which Directors, major shareholders and other principal officers are required to observe and adhere to.

2. PURPOSE

The purpose of this Policy is to set out what constitutes a conflict-of-interest to Interested Persons and to provide guidance on how such Interested Persons are to deal with situations involving conflict of interest when they arise.

3. SCOPE

- 3.1 This Policy is intended to apply to all Interested Persons.

- 3.2 This Policy applies whenever any Interested Persons recognises, or should reasonably recognise, that a conflict-of-interest may arise from their current or future activities. Such an individual shall also include a Person Connected (as hereinafter defined) with any Interested Persons, including Family member (as hereinafter defined).
- 3.3 The scope of this Policy is intended to be wide in its application and coverage of activities that may give rise to conflict-of-interest. As it is not possible for the Policy to be all-inclusive, the Interested Persons must exercise reasonable judgment and seek to comply with the spirit and letter of this Policy.

4. DEFINITIONS

- 4.1 “**Beneficial interest**” refers to the right to receive economic benefits from an asset without being the legal owner of the asset, e.g., the entitlement of income from shares held through a nominee.
- 4.2 “**Conflict-of-interest**” is a situation in which a person has competing interests and the serving of one interest could improperly influence the performance of duties and responsibilities, and which may be at the detriment and/or personal gain to another. A real conflict-of-interest exists at present and a potential conflict-of-interest could be reasonably foreseeable to exist in the future.
- 4.3 “**Family member**”, in relation to a person means such a 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 (c) and (d) above.
- 4.4 “**Material shareholding**” means equity interest of 5% or more.
- 4.5 “**Principal Officer**” means a principal officer (including the CEO who is not a director, the CFO or any other employees who have access or are privy to price sensitive information in relation to the Company) of the Company or its major subsidiary.
- 4.6 “**Director**” has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of the Company.
- 4.7 “**Major Shareholder**” has the meaning given in Chapter 1.01 of the Listing Requirements and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company.

- 4.8 **“Person Connected”** means person connected as defined in Chapter 1.01 of Listing Requirements.
- 4.9 **“Related Party”** means a related person as defined in Chapter 1.01 of the Listing Requirements. It generally refers to a Director, Major Shareholder or Person Connected with such Director or Major Shareholder, who is interested in the Related Party Transactions.
- 4.10 **“Related Party Transaction” (“RPT”)** is any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships required to be disclosed or approved pursuant to Chapter 10 of Listing Requirements.
- 4.11 **“Transaction”** means the acquisition or disposal of assets by ALB or its subsidiaries including the provision of financial assistance as described in Chapter 10 of the Listing Requirements.
- 4.12 **“Substantial Shareholder”** is as defined in section 136 of the Companies Act,2016.

5. IDENTIFYING CONFLICTS OF INTEREST

- 5.1 A conflict-of-interest would arise where a person’s ability to perform his/her duties effectively or impartially is potentially impaired by personal interest, considerations or relationships.
- 5.2 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 an Interested Person holds shares in privately owned entities having a 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 is considered to be material and the interest is likely to impair the objectivity of the Director, major shareholder or principal officer concerned.

- b) Directorship, partnership or other forms of Beneficial Interest in entities having a business relationship with the Group. This applies to situations where an Interested Persons holds a position or has an interest in entities having a business relationship with the Group.

- c) A conflict-of-interest would exist if a Family member of an Interested Person has a reporting relationship with the related Interested Person. For example, this also applies to situations where a Family member of the Group's conflicted parties (as the case may be) is working in a company bidding for a project to be awarded by the Group, although there is no contractual arrangement yet.
- d) Contractual dealings with Interested Persons. This refers to situations where the Group purchases or leases property, equipment, materials, etc. from such Interested Persons and enter into contractual arrangements which such situations give rise to a conflict-of-interest and should be declared.

6. GENERAL RESPONSIBILITIES

- 6.1 All Interested Persons are responsible for identifying and managing conflict-of-interest on an ongoing basis (throughout their tenure with ALB and/or the Group) and are required to:
 - a) Comply with this Policy and other applicable laws, policies and guidelines relating to the identification, documentation, escalation and management of conflicts of interest;
 - b) Act with objectivity, integrity and independence, and exercise sound judgement and discretion;
 - c) Avoid, wherever possible, situations giving rise to conflict-of-interest as described in this Policy; and
 - d) Immediately declare the conflict-of-interest situation, abstaining from the decision-making process and not seeking to influence such decisions any further.

7. MANAGING CONFLICTS OF INTEREST

- 7.1 It is the Directors', major shareholders' and the principal officers' fiduciary duty to avoid conflict-of-interest and comply with the relevant guidelines in respect of their fiduciary duties.
- 7.2 In addition to item 7.1, the parties who have made an affirmative declaration to the Audit Committee of their respective interests in other companies at the onset and as and when there are changes in their respective interest in companies outside the Group as well as that they are not involved in any business that is similar to the Group on a yearly basis by submitting a "Confirmation of Conflict-of-Interest" form (as attached in "Appendix A") at least once every year or as and when there is a conflict of interest situation arises.

- 7.3 The form must be disclosed to the Audit Committee for deliberation and approval, before submitting it to the Board of Directors (“Board”) for final endorsement and recorded by the Company Secretary.
- 7.4 When a determination has been made that there is a conflict-of-interest case, the Audit Committee shall:
- (a) Immediately inform the Board of the conflict-of-interest situation; and
 - (b) Make recommendations to the Board to direct the conflicted party(ies) to:
 - (i) Withdraw from all his/her executive involvement in the Group in relation to the matter that has given rise to the conflict-of-interest. (for example, in the case where the conflicted Director is an Executive Director);
 - (ii) The conflicted Director may however at the request of the Chairman of the Board, be present at the Board Meeting to answer any questions. In circumstances where a party is determined to have a significant, ongoing and irreconcilable conflict-of-interest with the Group, and where such conflict-of-interest significantly impedes the conflicted party’s abilities to carry out his/her fiduciary responsibility to the Group, the Audit Committee may determine that resignation of the conflicted party from the Group is appropriate and necessary. The declaration shall be made as and when the conflict arises and shall be made at the earliest opportunity. i.e., as soon as the Director, major shareholder or principal officer becomes aware of the conflict.
 - (iii) Abstain from all Board deliberation and involvements in matters where he/she has a conflict-of-interest situation or in relation to (ii)(a) above, the conflicted Director shall abstain from any Board discussion relating to the recommendation of the Audit Committee. The conflicted Director shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue.
 - (iv) The Company Secretary shall record in the minutes the details of the conflict-of-interest that has arisen, the declaration by the interested Directors and the fact that the interested Director was requested to leave the Board meeting for discussion of the matter at issue.

8. MAINTAIN OF RECORDS

For conflict-of-interest involving Interested Persons, the Company Secretary shall maintain records of all conflict-of-interest declarations as well as other related documents. For conflict-of-interest involving Directors, the Company Secretary shall maintain the yearly records of the declarations, evaluation, and approval as well as any other related supporting documents for a minimum of 7 years.

9. CONFLICT-OF-INTEREST DISCLOSURE

Any potential conflict-of-Interest situations, including interest in any competing business, that Interested Person has with the Group shall be disclosed as follows: -

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- a) Immediate disclosure of the interests of that Interested Person that is not within the Group to the Audit Committee for deliberation and approval, before submitting it to the Board for final endorsement and recorded by the Company Secretary;
- b) Such a conflict-of-interest statement shall be disclosed in ALB's annual reports; and
- c) Such a conflict-of-interest statement shall be disclosed as part of the accompanying notices of annual general meetings for the election of new directors or re-election of retiring Directors in the Company's General Annual Meeting

10. BREACH OF POLICY

10.1 In the event of any breach of conflict-of-interest situation arises, the Audit Committee shall immediately inform the Board of such conflict-of-interest situation and to take the necessary remedial actions including right to institute any legal action against such conflicted party in accordance with the Policy.

10.2 The Audit Committee has the right to institute disciplinary and/or legal action against the parties who fails to disclose a conflict-of-interest situation ("Defaulting Party"). Failure to disclose is a breach of this Policy and may lead to disciplinary action to be instituted against that Defaulting Party.

11. OTHER RELEVANT DOCUMENTS

This Policy must be read in conjunction with ANB's Anti-Bribery and Anti-Corruption Policy and other related policies. The Conflict-of-Interest Declaration form must be used to disclose any conflict-of-interest situation of the Interested Person.

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APPENDIX A

ANCOM LOGISTICS BERHAD
Company Registration No. 196601000150 (6614-W)
(Incorporated in Malaysia)

CONFIRMATION BY DIRECTOR, MAJOR SHAREHOLDER AND PRINCIPAL OFFICER IN RESPECT OF
CONFLICT OF INTEREST FOR THE PERIOD FROM _____ TO _____

I do hereby solemnly and sincerely declare as follows:-

1. I confirm that I have read and understood the "Conflict of Interest Policy" version [1.0] issued by Ancom Logistics Berhad.
2. I do/ do not* have any personal connection or interest in any dealings by a party with Ancom Logistics Berhad and/or its subsidiaries;
3. If I have personal connection or interest, I hereby declare that I have an actual/potential conflict-of-interest as follows (*Briefly describe the type of interest and the parties involved*):

	Type of Interest	Parties Involved
1		
2		
3		
4		

And I make this solemn declaration conscientiously believing the same to be true.

Signature

Name :

NRIC No.:

Designation :

* - to strike out whichever is not applicable.