



**KIMLUN CORPORATION  
BERHAD**

**[200901023978]  
(867077-X)**

# **CONFLICT OF INTEREST POLICY**

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## 1. INTRODUCTION

- a) **KIMLUN CORPORATION BERHAD** (“the Company”) is committed to upholding the highest standards of integrity, impartiality, probity and accountability at all times in respect of its business and operations.
- b) In line with the commitment, the Company expects its Directors and Key Senior Management to discharge their duties in a professional, honest and ethical manner, and to avoid any conflict of interest or potential conflict of interest (“COI”) that may compromise their judgment or impartiality.
- c) Proper identification and management of conflicts of interest ensures that interests of the Group are safeguarded.
- d) This Conflict of Interest Policy (“Policy”) shall be read together with the Company’s Board Charter, Corporate Code of Conduct, Whistle Blowing Policy and Procedure and Anti-Bribery and Corruption Policy.

## 2. PURPOSE

This Policy set out the framework for identifying, addressing, managing and reporting actual, potential, and perceived COI, and to provide guidance on how to deal with situations involving COI as and when they arise.

## 3. SCOPE

- 3.1 This Policy applies to all Directors and Key Senior Management of the Company.
- 3.2 This Policy applies whenever a Director or Key Senior Management recognises, or should reasonably recognise, that a COI or potential COI may arise from their current or future activities.

## 4. IDENTIFYING CONFLICT OF INTEREST

- 4.1 Generally, COI refers to situations where a Director or Key Senior Management is in a position or has the opportunity to influence the Group’s business or other decision in ways that could lead to personal gain or advantage of any kind. Interest in a COI involving a Director or Key Senior Management is not limited to direct financial interest but also include an indirect financial interest, non-financial interest, or competing interests.
- 4.2 Situations that may give rise to COI include those described under the following broad categories, the list is not exhaustive:

(a) **Equity ownership in companies having a business relationship with the Group**

Director or Key Senior Management has ownership of shares of 5% or more in companies having a business relationship with the Group, either directly or indirectly (e.g., through a family member) and the interest is likely to impair the objectivity of the Director or Key Senior Management concerned.

(b) **Directorship, partnership or other form of interest in entities having dealing with the Group**

Director or Key Senior Management holds a position or has any direct or indirect financial or other interest in entities that have dealings with the Group, where such interest could potentially influence decisions regarding the Group's dealings with the entities.

(c) **Personal relationships**

Director or Key Senior Management has a family member with an interest (e.g., in the form of ownership, directorships, partnerships, employment, etc.) in entities or organisations which have a contractual arrangement with the Group.

(d) **Contractual dealings with Directors or Key Senior Management**

The Group purchases, sells or leases property, equipment, materials, etc. to or from Directors or Key Senior Management, or enters into contractual arrangements with Directors or Key Senior Management (other than employment contracts).

(e) **Similar business**

Director or Key Senior Management is involved in a business which offers similar products or services that are likely to replace or substitute the products or services offered by the Group.

For the purpose of this Policy, “family member” shall include parents, spouse, children (including adopted and step child) & children’s spouse, sibling and sibling’s spouse.

## **5. GENERAL RESPONSIBILITIES OF DIRECTORS AND KEY SENIOR MANAGEMENT**

All Directors and Key Senior Management of the Group bear the responsibility of identifying and managing COI. The general responsibilities of Directors and Key Senior Management are as follows:

- (a) comply with this Policy and other applicable policies and guidelines relating to the identification, documentation, escalation and management of COI;
- (b) act with objectivity, integrity and independence and exercise sound judgment and discretion; and
- (c) avoid, wherever possible, situations giving rise to COI and where it is unavoidable, the Director or Key Senior Management concerned shall make the relevant declaration as soon as practicable.

## **6. MANAGING CONFLICT OF INTEREST**

- 6.1 Directors and Key Senior Management are required to make a COI declaration annually by completing the designated declaration form. Candidate shortlisted for the appointment as a Director or Key Senior Management must complete the declaration form prior to his/her appointment.
- 6.2 Where there is any change in the nature and extent of the Director and Key Senior Management's interest subsequent to the disclosure made in the annual declaration, the Director or Key Senior Management concerned shall make a further disclosure of such changes as soon as practicable after the relevant facts have come to his/her knowledge.
- 6.3 The completed declaration forms shall be furnished to the Audit and Risk Management Committee ("ARMC"). The ARMC shall review and report to the Board of Directors of the Company ("Board"), any COI situation that arose, persist or may arise together with the measures taken to resolve, eliminate or mitigate such conflicts.
- 6.4 Where a Director or Key Senior Management has a COI situation ("Conflicted Director or Key Senior Management), the Conflicted Director or Key Senior Management:
  - (a) will continue to receive Board papers or other information in relation to the COI matter, unless the Chairman or the Board determine otherwise;
  - (b) shall be excused from any part of the Board discussion and/or Board Committee Meeting for the duration during the matter's discussion;
  - (c) shall not vote on the matter; and
  - (d) Conflicted Director or Key Senior Management shall abstain themselves, and shall ensure that the persons connected with them abstain from voting on matters relating to the concerned COI in general meeting.

If majority of the Non-Conflicted Directors resolve that the disclosed interest should not disqualify a Conflicted Director or Key Senior Management from being present while the COI matter is being considered during the Board discussion and/or Board Committee Meeting, then Clauses 6.4(b) of this Policy shall not apply.

Conflicted Director may be present only to make the quorum counted at the Board and/or Board Committee meeting but shall not participate and vote in any discussion while the COI matter is being considered during the Board and/or Board Committee Meeting.

- 6.5 Conflicted Director or Key Senior Management, after consultation and review by the ARMC, should abide and comply with ARMC's determination on the reasonable steps and measures to manage, resolve or eliminate the COI or potential COI.

## **7. REVIEW OF THIS POLICY**

This Policy was adopted by the Board on 29 November 2023 and is made available on the Company's website at <http://www.kimlun.com>.

The ARMC will review this Policy from time to time and make any necessary amendments taking into consideration the needs of the Company as well as any changes to the Malaysian Code on Corporate Governance, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements.

Any amendments to this Policy shall be tabled to the Board for approval and made available on the Company's website.

\*\*\*\*\*END\*\*\*\*\*