

Code of Conduct

1. *Code Statement*

Automated Systems Holdings Limited ("ASL" or "the Company") is committed to upholding high standards of ethics, integrity and fairness, and conducting its businesses in an open and responsible manner to create greater value for its stakeholders.

This Code is applicable to ASL and its subsidiaries (collectively called as "ASL Group" or "Group") and it sets out a zero-tolerance policy to unethical business activities such as bribery and corruption, money laundering, fraud, extortion and embezzlement, collusion (including participation in cartels), conflict of interest, anti-competitive behaviour, insider trading, and infringement of intellectual property.

This Policy applies to the Group, and to all directors, officers and employees of the Group (which for these purposes includes temporary and contract staff) (the "Employees").

2. *Prevention of Fraud and Bribery*

- 2.1 The Company is committed to abiding by all laws and regulations or if necessary to exceeding them, to prevent all forms of bribery and corruption wherever we do business.
- 2.2 Employees are prohibited from soliciting, accepting or offering any bribe in conducting the Company's business or affairs, whether in Hong Kong or elsewhere.
- 2.3 The Board is accountable to the implementation of the anti-fraud and bribery efforts of the Group which includes values, code of conduct, risk management, internal controls, communication and training, oversight and monitoring. Directors and senior management of the Company are responsible for ensuring the effective implementation and in particular, the monitoring and investigation of any material fraudulent or bribery activities committed within the Group. All Employees are required to adhere to this Code, as well as any additional requirements set by their employing company or by local law (which may be stricter than those set out in this Code).
- 2.4 Fraud or bribery damages a company's reputation and undermines its relationship with its regulators, customers, business partners and competitors. It may lead to criminal prosecution of or regulatory action against a company and/or its employees, resulting in the imposition of criminal or civil penalties, including fines and imprisonment, and could damage a company's business. Definition of fraud and some examples of fraudulent behaviour that may impact the Group are set out in **Annex 4** to this Code.
- 2.5 In conducting business or affairs of the Company, Employees must comply with the Prevention of Bribery Ordinance ("POBO") of Hong Kong and must not:
- (a) Solicit or accept any advantage from others as a reward for or inducement to doing any act or showing favour in relation to the Company's business or affairs, or offer any advantage to an agent of another as a reward for or inducement to doing any act or showing favour in relation to his principal's business or affairs;
 - (b) Offer any advantage to any public servant (including Government/public body employee) as a reward for or inducement to his performing any act in his official capacity or his showing any favour or providing any assistance in business dealing with the Government/a public body; or
 - (c) Offer any advantage to any staff of a Government department or public body while they are having business dealing with the latter.

The relevant provisions of the POBO are set out in **Annex 1**.

- 2.6 It is every Employee's responsibility to counter fraud and bribery.

3. *Acceptance of Advantage*

- 3.1 It is the Company's policy that Employees should not solicit or accept any advantage for themselves or others, from any person, company or organization having business dealings with the Company or any subordinate, **except** that they may accept (but not solicit) the following when offered on a voluntary basis:-
- (a) advertising or promotional gifts or souvenirs of a nominal value; or
 - (b) gifts given on festive or special occasions, subject to a maximum limit of HK\$500 in value; or
 - (c) discounts or other special offers given by any person or company to them as customers, on terms and conditions equally applicable to other customers in general; or
 - (d) gifts or souvenirs of nominal value presented to them in official functions.

- 3.2 Gifts or souvenirs above that are presented to Employees in official functions are deemed as offers to the Company. Employees concerned should report the acceptance to the Company and seek directions as to how to handle the gifts or souvenirs from Administrative Department by using the Form set out in **Annex 2**. If a director or staff member wishes to accept any advantage not covered in the above, he/she should also seek permission from the Administrative Department by using the Form.
- 3.3 A director or staff member should decline an offer of advantage if acceptance could affect his/her objectivity in conducting the Company's business or induce him/her to act against the interest of the Company, or acceptance will likely lead to perception or allegation of impropriety.
- 3.4 If an employee has to act on behalf of a client in the course of carrying out the Company's business, he/she should also comply with any additional restrictions on acceptance advantage that may be set by the client.
- 3.5 Administrative Department will adopt the guidelines of **Gift & Donations Policy** to handle the items received.

4. *Offer of Advantage*

Employees are prohibited from offering advantages to any director or staff member of another company or organization, for the purpose of influencing such person or company in any dealings, or any public official, whether directly or indirectly through a third party, when conducting the Company's business.

Save and except for the donations highlighted in the guidelines of **Gift & Donations Policy** of which given by the Employees in the conduct of the Company's business (e.g. bouquet of flowers to customers on special occasion, festive hampers to customers or etc.) shall be subject to the guidelines of **Gift & Donations Policy** and shall obtain the prior written approval of the Company. Employees must not pay for business courtesies personally as a means of evading the requirements of this Code.

5. *Entertainment*

Employees should not accept lavish, or unreasonably generous or frequent entertainment ("entertainment" means the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with or provided at the same time as the provision of food or drink), or indeed any entertainment which is likely to give rise to any actual or perceived conflict of interest, put the staff in an obligatory position in the discharge of their duties, compromise their impartiality or judgement, or bring them or the Company into disrepute bearing in mind public perception. When offered entertainment, a staff should consider whether the entertainment offered could be regarded as:

- (i) excessive – taking into account its value, substance, frequency and nature;
- (ii) inappropriate – taking into account the relationship between the staff member and the offeror (e.g. whether they have any direct official dealings); or
- (iii) undesirable – taking into account the character or reputation of the host or known attendees.

6. *Conflict of Interest*

6.1 Employees are expected to be honest, impartial, and objective in carrying out their duties and in their official dealings with members of the public, staff of the Company, customers and business partners of the Company alike. Employees should not promote their private interests or those of family, friends, associates, or put themselves in a position giving rise to suspicion or perception of having done so, in the course of delivering their duties. Employees should observe the following principles :-

- (i) refrain from taking part in the deliberation, decision-making, investigation or enforcement process in connection with any matter in which they have a private interest;
- (ii) avoid putting themselves in a position of obligation to any person who has or may have official dealings with the Company;
- (iii) decline to provide assistance, advice or information to relations/ friends, etc. relating to their work whereby giving the recipient an unfair advantage over other persons. Legitimate requests for assistance, advice and information should be referred to the proper subject officer for handling in the normal way according to established procedures; and
- (iv) decline to accept lavish or unreasonably generous or frequent entertainment or any entertainment that is likely to lead to embarrassment in the discharge of their duties or to bring them or the Company into disrepute.

6.2 There are certain situations which the Company will consider to be conflicts of interest. These include but not limited to:-

- (i) obtain or receive significant financial or other beneficial interest in one of the Company's suppliers, customers or competitors without written approval from the Company;
- (ii) engage in a significant personal business transaction involving the Company for profit or gain, unless such transaction has been approved in writing by the Company;
- (iii) accept money, gifts of other than nominal value, excessive hospitality, loans or guarantees of obligations or other special treatment from any supplier, customer or competitor of the Company;
- (iv) participate in any sale, loan or gift of Company property without written approval from the Company;
- (v) learn of a business opportunity through association with the Company and disclose it to a third party or invests in or takes the opportunity personally without first reporting to the Company;
- (vi) use corporate property, information, or position for personal gain;
- (vii) compete with the Company;
- (viii) take up outside employment or engage time in an outside work or business that diverts attention from an employee's responsibilities to the Company.

6.3 When actual or potential conflict of interest arises in the course of business, Employees shall proactively make a declaration to the Human Resources Department by completing Form set out in the **Annex 3**.

6.4 The Company may require employees to make full disclosure in writing particular for those roles who will be involved in procurement, process of payment and approval of contractors or service providers. Employees should also seek advice from their direct managers or Head of Human Resources if they are doubtful whether a situation will give rise to potential or real conflict of interest.

7. *Outside Employment*

Any full time staff who wishes to take up outside employment (part-time or assignment) must seek the prior written approval from the Company. full time staff having intention to do so should official apply through the Human Resources Department and making full declaration such as the nature of the work and hours performed, etc. Human Resources Department should consider whether the outside employment would give rise to a conflict of interest with the staff member's duties in the Company or the interests of the Company.

8. *Use of Proprietary Information and Handling of Confidential Information*

During the course of work with the Company, Employees will receive and have access to information which is confidential to the Company and its customers. Employees should maintain in strict confidence any and all information concerning the business and financing of the Company, its dealings, transactions and affairs and likewise in relation to the Company, and its customers' affairs acquired during the course of work with the Company, as well as confidential information of any other third parties to which they may have access.

Those who have access to or are in control of such information, including but not limited to all information concerning business, products, procedures, know-how, technology, accounts, finances, sales and marketing plans, pricing, financial projections, patent applications, transactions, contracts, customers, suppliers, trade secrets, strategies, business affairs and information in the Company's computer system, should at all times protect the information from unauthorized disclosure or misuse. Special care should also be taken in the use of personal data, including directors', employees' and customers' personal data.

9. *Handling of Company Records*

Employees should ensure that all records (e.g. attendance and timesheets), receipts (e.g. expenses) and all business documents (e.g. sales orders, contracts and quotations) give a true representation of the events or business transactions as shown in the documents. Employees are required to handle the Company records in accordance with prescribed instructions or practices. Intentional use of documents containing false information to deceive or mislead the Company, regardless of whether there is any gain or advantage involved, has violated the policy and will be subjected to disciplinary action. Employees should be alert at all times to safeguard Company records and report any suspected or actual occurrence of unauthorized access, attempted theft, falsification or destruction of Company records and documents to the Head of Human Resources.

10. *Use of Company & Client Assets*

Employees in charge of or having access to any Company or client assets, including office equipment, email system, funds, property, information and intellectual property, should use them solely for the purpose of conducting the Company's business. Unauthorized or misused for personal gain, is strictly prohibited.



Upon termination of directorship or employment, director or staff must return to the Company upon request, all documents and tangible items which belong to the Company asset.

Employees should not delete or copy any document, files or remove any tangible items which belong to the Company without authorization.

11. Intellectual Property Rights

The Company has exclusive ownership of all discoveries, inventions, designs, technical or business know-how, innovations or contributions, including without limitation, any and all such materials generated and maintained on any form of electronic media, whether or not patentable or reduced to practice, developed or conceived by the directors and the staff or jointly with others for the Company during or after the course of work if the inventions are related to its duties or other tasks as set by the Company.

All materials, documents and other tangible objects, including copies, made or compiled by the Employees in the course of work is the property of the Company and should be delivered to the Company upon termination of directorship or employment or at anytime as requested by the Company.

12. Insider Dealing

The Company will not tolerate the use of unpublished price-sensitive information by employees for securing an advantage for themselves or others. The use of insider information, which has not been made public, for personal gain is illegal, unethical and strictly prohibited. Insider information can also be information about another company you obtained confidentially during work.

13. External Communication on behalf of the Company

External communication with investors, analysts and or media requires careful consideration and unique understanding of legal and media implications. Only those employees specifically authorized to do so may respond to respective enquiries.

Employees at all levels should behave with integrity and act lawfully on or off duty at social and private occasions. Employees must be careful when expressing views and opinions about the Company and refrain from disclosing or releasing any information or speculation that will affect the Company image.

14. Personal Conduct

- (i) **Gambling**
Employees are advised not to engage in frequent or excessive gambling of any kind especially with persons having business dealings with the Company. Gambling of any form on the Company's premises is strictly forbidden.
- (ii) **Loan**
Employees should not accept any loan from, or through the assistance of, any individual or organization having business dealings with the Company. Employees should not allow their financial problems to affect their normal work. The borrowing and lending of money between staff members is to be strongly discouraged.
- (iii) **Harassment**
The Company aims to provide work environments that are free of harassment or discrimination on the basis of gender, physical or mental state, race, nationality, religion, age, family status or sexual orientation or any other attribute recognized by the laws of the country in which the Company operates. Any form of harassment such as foul language, dirty jokes or unwelcomed physical touch should be avoided.
- (iv) **Punctuality**
Employees are expected to be punctual at work and attending business meetings. If employees are unable to report duty due to any reason, they should notify their supervisor immediately. Absenteeism without prior approval or habitual late is considered as misconduct and disciplinary action will be taken.
- (v) **Respect for people**
The Company values its employees and is committed to providing a fair and equitable workplace for all employees. The Company is committed to maintaining an environment of respect for people in all business dealings. We have a responsibility to deal with any disciplinary act and/or harassment in the workplace. All employees are expected to adhere to the same standards in their interactions with contractors, suppliers, customers, and others. This Code requires Employees to behave with courtesy and respect towards everyone we encounter in the course of our business.

(vi) Anti-competitive conduct

The Company will not condone any conduct that could reasonably be expected to undermine the competitive process in Hong Kong and contravene the Competition Ordinance. Employees shall strictly comply with Competition Compliance Policy of the Company.

15. Compliance of IT Security

General Security Awareness

- Employees should safeguard the Company's equipment according to the following guidelines:
- Place your portable equipment in locked areas when not in use.
- Do not transmit password over networks or write it down next to the equipment.
- Safeguard equipment in your possession and set password.
- Lost and modify by intrusion shall be reported immediately
- Do not store any inappropriate contents in the company's computers or storage devices.
- Change password every 3 months according to ASL password policy.
- Employees should not alter setting on your computers without prior authorization from MIS and no software can be installed by non-MIS staff.
- Automatic protection feature such as password protected screen saver should be activated if no activity is carried out in not more than 10 minutes. All workstations should be switched off before leaving work and all backup should be done at regular intervals.

Working at ASL office

- Do not store any files to the public cloud storage area.
- Do not disseminate or distribute data inadvertently obtained from Internet or ASL email.
- Do not use public email accounts for communicating with clients.
- When carrying own equipment to work at ASL, it should only be connected to ASL wireless network and access to ASL internal network through VPN.
- Employees should ensure the equipment for work are installed with anti-virus and no web-sharing agents are installed.

Working at Customer's Site

- Follow the same rules as working at ASL office.
- When working at customer site, access to Internet should be avoided unless approval is obtained from the client.
- Employees should follow the non-disclosure agreement made between ASL and client. No client records, information or documents should be stored to any carry in devices in any format unless approval is obtained.
- No storage devices of any kind except those provided from the client or approved by the client shall be connected to client's equipment.

For details, please refer to the latest **ASL IT Security Policy**.

16. Compliance with Laws of Hong Kong Special Administrative Region and in Other Jurisdictions

Employees must comply with all local laws and regulations when conducting the Company's business, and also those in other jurisdiction when conducting business there or where applicable.

17. Compliance with the ASL Code of Conduct

It is the responsibility of employees of the Company to understand and comply with this Code, whether performing their company duties in or outside Hong Kong. Managers and supervisors should also ensure that the employees under their supervision understand well and comply with this Code.

The Company shall not tolerate any illegal or unethical acts. Any employee in breach of this Code will be subject to disciplinary action, including termination of employment.

18. Reporting of Malpractices or suspicious activity

18.1 The Company shall take a serious stance on all reported malpractices. Channels for reporting malpractices in relation to the Company are open to all shareholders, customers, suppliers, contractors, directors and employees.

18.2 If Employees become aware of any actual or suspected breach of this Code, he/she must report to the Head of Legal of the Company by sending email to legal_internal@asl.local.



- 18.3 Employees are encouraged to reveal their identity in reporting malpractices, any concerns regarding fraud and bribery. The Company shall make every effort to protect confidence of the employees and the information received. All reports shall be considered in an impartial and efficient manner. Alleged unlawful and unethical conduct shall be investigated promptly.
- 18.4 Any report or concern for malpractice regarding questionable accounting and auditing matters including (i) any fraud or deliberate error regarding the preparation, valuation, audit or accounting of the Company’s financial reports; or (ii) Any omission in the Company internal accounting controls or non-compliance with the Company’s internal accounting controls, complaints should be reported to the Head of Legal of the Company for investigation, who shall promptly thereafter provide notice to such other senior management or the Chairperson of the Group’s Audit Committee as appropriate.
- 18.5 Employees raising legitimate concerns hereunder in good faith are to be protected; retaliation of any kind against any Employees for making good faith reports about actual or suspected violation of this Policy is not permitted. The reporting hereunder is subject to the **Whistle-Blower Policy & Procedures** of the Company.
- 18.6 Employees must cooperate fully and openly with any investigation into alleged or suspected corrupt activity or breach of this Policy. Failure to cooperate or to provide truthful information may also lead to the Employee being subject to disciplinary action, up to and including dismissal.
- 18.7 Any violation of this Code relating to harassment and discrimination must also be reported to the Head of Human Resources of the Company.

19. Enquiry and Comments on the Code of Conduct

Problems encountered in enforcement as well as comments or suggestions for improvement of the Code of Conduct shall be channeled to the Head of Human Resources for consideration and action.

20. Review of this Code

The Audit Committee of the Company should review this Code including the anti-corruption and anti-bribery system once Annually, including reviewing any reporting cases of violation of this Code during the year, reviewing the effectiveness of communication, training, and awareness of this Code, considering any updates or further enhancement is necessary.

I acknowledge that I have read the above and understand the content of it. I further affirm my commitment and compliance to the policy.

Signature: _____

Staff Name: _____

Date: _____

Annex 1

Extracts of the Prevention of Bribery Ordinance (Cap. 201)

Section 9 – Corrupt transactions with agents

- (1) Any agent who, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his –
- (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,
- shall be guilty of an offence.
- (2) Any person, who, without lawful authority or reasonable excuse, offers any advantage to any agent as an inducement to or reward for or otherwise on account of the agent's –
- (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,
- shall be guilty of an offence.
- (3) Any agent who, with intent to deceive his principal, uses any receipt, account or other document –
- (a) in respect of which the principal is interested; and
 - (b) which contains any statement which is false or erroneous or defective in any material particular; and
 - (c) which to his knowledge is intended to mislead the principal,
- shall be guilty of an offence.

- (4) If an agent solicits or accepts an advantage with the permission of his principal, being permission which complies with subsection (5), neither he nor the person who offered the advantage shall be guilty of an offence under subsection (1) or (2).
- (5) For the purposes of subsection (4) permission shall –
- (a) be given before the advantage is offered, solicited or accepted; or
 - (b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance,

and for such permission to be effective for the purposes of subsection (4), the principal shall, before giving such permission, have regard to the circumstances in which it is sought.

Section 4 – Bribery

- (1) Any person who, whether in Hong Kong or elsewhere, without lawful authority or reasonable excuse, offers any advantage to a public servant as an inducement to or reward for or otherwise on account of that public servant's –
- (a) performing or abstaining from performing, or having performed or abstained from performing, any act in his capacity as a public servant;
 - (b) expediting, delaying, hindering or preventing, or having expedited, delayed, hindered or prevented, the performance of an act, whether by that public servant or by any other public servant in his or that other public servant's capacity as a public servant; or

Extracts of the Prevention of Bribery Ordinance (Cap. 201)

- (c) assisting, favouring, hindering or delaying, or having assisted, favoured, hindered or delayed, any person in the transaction of any business with a public body,

shall be guilty of an offence.

- (3) If a public servant other than a prescribed officer solicits or accepts an advantage with the permission of the public body of which he is an employee being permission which complies with subsection (4), neither he nor the person who offered the advantage shall be guilty of an offence under this section.

Section 8 – Bribery of public servants by persons having dealings with public bodies

- (1) Any person who, without lawful authority or reasonable excuse, while having dealings of any kind with the Government through any department, office or establishment of the Government, offers any advantage to any prescribed officer employed in that department, office or establishment of the Government, shall be guilty of an offence.
- (2) Any person who, without lawful authority or reasonable excuse, while having dealings of any kind with any other public body, offers any advantage to any public servant employed by that public body, shall be guilty of an offence.

Section 2 – Interpretation

"Advantage" means –

- (a) any gift, loan, fee, reward or commission consisting of money or of any valuable security or of other property or interest in property of any description;

- (b) any office, employment or contract;

- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;

- (d) any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;

- (e) the exercise or forbearance from the exercise of any right or any power or duty; and

- (f) any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs (a), (b), (c), (d) and (e),

but does not include an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554), particulars of which are included in an election return in accordance with that Ordinance.

"Entertainment" means the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with, or provided at the same time as, such provisions.

Section 19 – Custom not to be a defence

In any proceedings for an offence under this Ordinance, it shall not be a defence to show that any such advantage as is mentioned in this Ordinance is customary in any profession, trade, vocation or calling.



Annex 2
REPORT ON GIFTS RECEIVED

Part A – To be completed by Receiving Staff

To : Administrative Department

Description of Offeror :

Name & Title of Offeror : _____

Company : _____

Relationship : _____

Occasion on which the Gift
was / is to be Received :

Description & (Assessed) Value of the Gift :

Suggested Method of Disposal :

- Retain by the Receiving Staff
- Retain for Display / as a Souvenir in the Office
- Share among the Office
- Reserve as Lucky Draw Prize at Staff Function
- Donate to a Charitable Organisation
- Return to Offeror
- Others (please specify) : _____

Remark

(Date)

(Name of Receiving Staff)
(Title/ Department)

Part B – To be completed by Approving Authority

To : (Name of Receiving Staff)

The recommended method of disposal is **approved / not approved*. The gift(s) concerned should be disposed of by way of: _____.

(Date)

(Name of Approving Authority)
(Title/ Department)



Guidelines on disposal method:

- ◆ If the gift/souvenir is of perishable nature (e.g. food, drink), it may be donated to a charitable organization or, when this is not practical, shared among staff of ASL on a suitable occasion.
- ◆ If the gift/souvenir is a useful item, it may be donated to a charitable organization.
- ◆ If the gift/souvenir is suitable for display (e.g. a painting, vase), it may be displayed at appropriate locations of ASL's premises.
- ◆ If the gift/souvenir is of low value, it may be donated as a prize in functions organized by ASL.
- ◆ If the gift/souvenir is a personal item of low value, such as a plaque or pen inscribed with the name of the recipient, it may be retained by the recipient.
- ◆ If the gift/souvenir is distributed to all participants in public activities, such as a ball pen, file folder or key clasp, etc, it may be retained by the recipient.
- ◆ Any gift/souvenir of high value should be returned to the offeror.



Annex 3

DECLARATION OF CONFLICT OF INTEREST

Part A – Declaration *(To be completed by Declaring Member)*

To : Head of Human Resources Department

I would like to report the following actual/potential* conflict of interest situation arising during the discharge of my official duties:

Person(s)/organisation(s) with whom/which I have official dealings and/or private interest
My relationship with the person(s)/organisation(s) (e.g. relative)
My contact with the person(s)/organisation(s) (Please state the frequency of contact and the usual occasions of contact, etc.)
Relationship of the person(s)/organisation(s) with [<i>The Public Body</i>] (e.g. supplier)
Brief description of my duties which involved the person(s)/organisation(s) (e.g. handling of tender exercise)
File reference, if any, of the mentioned duties

(Date)

 (Name of Declaring Member)



Part B – Approval *(To be completed by Approving Authority)*

To : (Declaring Member)

Part B(i) – In respect of the declaration in Part A of this form, it has been decided that:

- The declaration as described in Part A is noted. You are allowed to continue handling the work as described in Part A, provided that there is no change in the information declared above.
- You are restricted in the work as described in Part A (e.g. prohibit from handling the specific part/duty that you have conflict, withdraw from discussion on a specific issue/case).

Details : _____

- You may continue to handle the work as described in Part A, but an independent Member would be recruited to participate in, oversee or review part or all of the decision-making process (e.g. task another Member with the required expertise to provide objective assessment on the matter).

Details : _____

- You are relieved of your duty as described in Part A, which will be taken up by another Member through redeployment.

Details : _____

- Others (please specify) (e.g. you should not contact the person(s)/organisation(s) concerned until the conflict situation described in Part A no longer exists):

Details : _____

Part B(ii) – The justification(s) for the measure(s) as described in Part B(i) above is/are: (Factors of consideration including the materiality of the conflict, link between the conflict and the matter in question, and any possible negative public perception over the conflict/incident.)

In all cases, please be reminded that you should not disclose any privileged/internal information of the subject matter to the person(s)/organisation(s) concerned and should further report if there are changes in circumstances necessitating reporting.

(Date)

(Name of Approving Authority)



ELM Computer Technologies Limited
榆林電腦科技有限公司

Part C – Keeping of Records *(To be completed by the Declaring Member)*

To : (Designated Office/Staff Member for keeping the completed declaration form)

I noted the decision in Part B. The completed form is for your retention please.

(Date)

(Name of Declaring Member)

- * Potential conflict of interest refers to situation that may be developed into an actual conflict in the future.



Annex 4

1. The term “fraud” commonly encompasses deceptive conduct with the intention of making some form of financial or personal gain, or causing another person suffers a loss. It includes, but is not limited to, deception, bribery, forgery, extortion, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts, and collusion.
2. Examples of general types of fraudulent behaviour that may impact the Group include but not limited to:
 - (a) obtaining financial advantage or any other benefit by deception or abuse of authority granted by virtue of official position or duty;
 - (b) unauthorised trading activities involving conflict of interest and/or gaining of personal interests;
 - (c) improper use of business information not released to the public and/or commercially sensitive information;
 - (d) theft, unauthorised use and/or disposal of Group assets or resources;
 - (e) false accounting and/or misleading disclosures;
 - (f) false declaration of work performed or misstatement of materials used in projects; and
 - (g) false payroll, false invoicing or false expense claims.
3. There is no set monetary threshold that defines a fraud. It is not necessary for the fraud to be successful to be viewed as a fraud.