



CONFLICT OF INTEREST POLICY

1. DEFINITION

"Straits" or "the Company"	: Straits Energy Resources Berhad
"Straits Group" or "the Group"	: The Company and its subsidiaries
"Board"	: Board of Directors of the Company
"Director"	: Includes all independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate or substitute directors.
"Family Member"	: have the same meanings given under Section 197(2)(a) of the Companies Act 2016 and Paragraph 1.01 of the ACE Market Listing requirements of Bursa Malaysia Securities Berhad which include spouse, parent, child (including adopted child and stepchild), brother, sister and the spouse of the Director's child, spouse of the Director's brother or sister.
"Key Senior Management"	: Key Senior Management are Group Managing Director, Executive Directors, C-Suite positions, General Managers, Head of Departments and any position having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly
"Conflict of Interest"	: A conflict of interest arises when the interests of an individual, such as a Director or Key Senior Management, interfere or appear to interfere with the interests of the Group. It may also occur when an individual's interest makes it difficult to perform their roles objectively and effectively.
"Potential Conflict of Interest"	: A potential conflict of interest is a conflict of interest that has not yet materialised but may arise subsequently due to prevailing relationships or interests of an individual



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"Perceived Conflict of Interest" : A perceived conflict of interest is a conflict which could exist but is not directly tied to the Director or Key Senior Management.

Interest in competing business : Refers to direct or indirect financial interest, non-financial interest (e.g. arising from relationships whether family, business or professional interests), or competing loyalties or interests in a business that competes with the Group.

"Policy" : The Conflict of Interest Policy of the Group

2. INTRODUCTION

The Group are committed to upholding the highest standards of integrity, transparency, and ethical conduct in all business operations. In line with this commitment, the Group has implemented a comprehensive Conflict of Interest Policy to ensure that the Directors and Key Senior Management act in the best interests of the Group and free from any personal, financial, non-financial or other conflicts that may compromise their judgment or impartiality.

3. OBJECTIVE

The Policy of Straits Group outlines the disclosure obligations of each Director and Key Senior Management of the Group with respect to conflict of interest, and the procedures to be followed when a conflict of interest arises or potentially arises to ensure systematic identification, disclosure, and management of conflict of interest in an effective and timely manner.

This Policy aims to ensure that conflict of interest is handled appropriately, promoting transparency, foster a culture of honesty and accountability, and good governance within the Group.

In formulating the Policy, the requirements outlined in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**ACE LR**") have been taken into account as well as other relevant regulatory frameworks, to ensure compliance with the obligations imposed.

It also serves as a guide to the Audit Committee ("**AC**") and Board of the Company in discharging their role, which is to provide oversight and review of the conflict of interest ("**COI**") situations that arose, persist or may arise within Straits Group.



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4. SCOPE

This Policy applies to all Directors and Key Senior Management of the Group. It covers conflict of interest that may arise between their personal interests and the interests of Straits Group. The personal interests shall include but not limited to the interests of family member, of the Directors and Key Senior Management of the Group or any company, corporation owned or controlled by them in which they have substantial personal interest.

5. CIRCUMSTANCES WHICH CONSTITUTE OR MAY GIVE RISE TO CONFLICT OF INTEREST

A COI may be actual, potential or perceived as below and may be financial or non-financial interests arising from relationships (family, business, or professional interests), or competing loyalties or interests.

Conflict of interest situations may take many forms. Directors and Key Senior Management should be vigilant in identifying situations that may give rise to a conflict of interest.

Examples of situations (non-exhaustive) where a conflict of interest could arise are as follows:

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

Director or Key Senior Management has ownership of shares in privately-owned companies having a business relationship with the Group, either directly or indirectly (e.g., through a family member).

(b) Common Directorships

The Company may enter transactions with other companies that share a common Director or Key Senior Management with Straits Group, or where the Director is an officer or employee of such other company. The affected Director or Key Senior Management, after having disclosed all known pertinent information and subsequently cleared by the AC, shall not participate in the deliberations and decisions concerning any transaction, contract, or other arrangement between the Company and the other company.

The above shall exclude subsidiaries or related companies in Straits Group where common directorships are normal.



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(c) Competing Business

Director or Key Senior Management is involved either in or with any company that has similar business in competition with Straits Group.

(d) Personal Gain through Business Related Opportunities with the Group

Director or Key Senior Management pursues personal gain related to the Group's business, utilising the Group's property, information, or position for personal gain, and engaging in any form of competition with the Group for business opportunities.

(e) Personal Use of Company Assets

Director or Key Senior Management shall avoid using Company assets, resources or information for personal use without prior approval by the Chairman of the Board and, in the case of the Chairman, approval by the Board.

(f) Having interest in Person, Entity or Contract that has dealing with the Group

Any direct or indirect financial or other interest of Director or Key Senior Management in a person, entity, or contract that has dealings with the Group, where such interest could potentially influence decisions regarding the Group's dealings with said person, entity or contract.

6. DISCLOSURE REQUIREMENT

(a) Annual Declaration

All Directors and Key Senior Management are required to make an annual declaration of the COI using the declaration form as sets out in **Appendix A ("COI Declaration Form")** of this Policy.

Company Secretary shall on an annual basis circulate the COI Declaration form to Directors and Key Senior Management.

(b) Immediate Disclosure

Any situation involving COI, whether direct or indirect, actual or potential, must be declared and notified to the Company Secretary within 14 working days after the relevant facts have come to the Director and/or Key Senior Management's knowledge using the COI Declaration Form.

Such disclosure shall be submitted to the Company Secretary and subsequently reviewed by the AC in the next AC meeting deliberating the transaction involving the COI or in the subsequent quarterly AC meeting (whichever is applicable).



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A conflicted Director or Key Senior Management may at any time declare a COI or duty in relation to a matter by notifying the Company Secretary in writing of the existence of the actual or potential COI and providing the Company Secretary with such information as will reasonably allow an informed assessment to be made by the other Non-Conflicted Directors.

If the COI matter is being deliberated at the Board meeting, the Conflicted Director and/or Key Senior Management shall provide written notice to the Board and the Company Secretary before the commencement of the meeting. The Company Secretary then presents the said COI matter to the Board for discussion.

The Company Secretary of Straits shall on a quarterly basis, report at the AC and Board meetings on such disclosures received.

If any Director and Key Senior Management is in doubt whether he/she has a conflict of interest, he/she shall disclose.

7. MANAGEMENT OF CONFLICT OF INTEREST

(a) The AC shall:-

- (i) Review and report to the Board, any COI situations that arose, persist or may arise together to the Board, along with the measures taken to resolve, eliminate, or mitigate such conflicts.
- (ii) Include in the AC Report for inclusion in the Annual Report a summary of any COI or potential COI situation within Straits (excluding related party transactions) reviewed by the AC and the measures taken.

The review and disclosure must cover COI situations that arose or may arise during the financial year, as well as those persisting COI from previous financial years.

(b) The Board may determine appropriate measures to address conflict of interest, including but not limited to the following:

- (i) Restricting the participation of individual with COI in relevant Board, Board Committees or general meetings, requiring them to abstain themselves from deliberation and voting on matters related to the conflicts. However, the Director concerned may be present only to make quorum counted at the meeting;
- (ii) Executing non-disclosure or confidentiality agreements to protect confidential and proprietary information or trade secrets.



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- (iii) Restricting individual with COI from participating in business that compete with the Company and Straits Group.

8. RECORDS MAINTENANCE

- (a) The Company Secretary of the Company shall be responsible to record all COI disclosures made by the conflicted interested Director and Key Senior Management in the minutes of meeting of the Board or in the Directors' circular resolution as the case may be.
- (b) These records shall be made available for inspection by auditors or other regulatory authorities upon request.

9. BREACH OF POLICY

Failure to disclose a conflict of interest, provide complete and accurate information on the conflict or appropriately manage the conflict is a breach of amongst others, this Policy, ACE LR, the Companies Act 2016, and could result in amongst others, disciplinary action being taken by the Company.

10. PERIODIC REVIEW

The AC shall review and reassess the adequacy of this Policy periodically and make such amendments to this Policy as it may deem appropriate. All reviews by the AC shall be reported to the Board for further action.

11. COMPLIANCE

Directors and Key Senior Management are obligated to adhere to all COI requirements as stipulated in this Policy along with any requirements set forth by the ACE LR or other relevant regulatory guidelines.

Furthermore, should a Director and/or Key Senior Management's interest leads to a Related Party Transaction, they must also adhere to the Company's Related Party Transactions Policy, in addition to meeting any requirements specified by the ACE LR or other applicable regulatory guidelines.

STRAITS ENERGY RESOURCES BERHAD

Disclosure of Conflict of Interest or Potential Conflict of Interest Form

The ACE Market Listing Requirements of Bursa Malaysia Securities Berhad requires a listed issuer to disclose the nature and extent of any conflict of interest or potential conflict of interest including interest in competing business involving directors and key senior management and its legal representative of a listed corporation. The purpose of this Disclosure Form is to assist the Director and Key Senior Management of Straits Energy Resources Berhad and its subsidiaries to disclose his/her interest or potential conflict of interest that arises/may arise.

Instruction to complete the form

Kindly tick on the relevant section (Yes/No) and provide details of the nature and extent of the conflict of interest, if any. Supporting documents could be appended if required.

No.	Criteria	Yes	No	If Yes, please provide relevant details (attach supporting documents, if required)
Conflict of Interest Situations				
1.	Do you, a family member [spouse, parent, child (including adopted child and stepchild), brother, sister and their spouse or a person connected to you have a substantial direct or indirect ownership interest or other relationship with a company, firm or organisation that is currently having business dealings with Straits Energy Resources Berhad and/or Straits Group or that serves as a competitor or customer to Straits Group?			
2.	Are you a director, executive, advisory board member, limited partner, officer, trustee or any other authoritative role that could exert influence, whether directly or indirectly, over any organisation, firm, or company that might, in turn, engage in a direct or indirect competition with any of the businesses under the purview of Straits Group?			
3.	Have you, a family member or Related Party taken opportunities related to Straits business by using Straits Group property, information, or position for personal gain, or competed with Straits for business opportunities?			

Appendix A

No.	Criteria	Yes	No	If Yes, please provide relevant details (attach supporting documents, if required)
4.	Do you or a person connected to you utilise Straits Group's assets, resources or information for personal use without obtaining prior approval from the Chairman of the Board or the Board or not as part of the approved Board reimbursement?			
5.	Are there any additional interests, activities, investments, or involvements that you believe should be disclosed to ensure a comprehensive account of any actual, apparent or potential conflicts of interest?			

I confirm that the above-mentioned information disclosed is true and correct to the best of my knowledge. Should any conflict of interest situation arises/may arise, I agree to undertake the declaration of the conflict of interest situation to the Company as soon as practicable after the relevant facts have come to my knowledge.

Name:

Designation:

Date: