



Star Media Group Berhad

(Company No. 197101000523 (10894-D))

CONFLICTS OF INTEREST POLICY

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1. PURPOSE

The Board of Directors (the “Board”) of Star Media Group Berhad (“Star” or the “Company”) has adopted this policy relating to Conflicts of Interest (“COI”) (the “Policy”), setting out principles to guide the Directors* in instances of actual or potential conflicts of interest.

This Policy serves to

- (i) emphasize the Company’s commitment to ethics and compliance with the law;
- (ii) foster a culture of honesty and accountability;
- (iii) focus the Board and each of its Directors on areas of ethical risk; and
- (iv) provide guidance to the Directors to help them recognize and deal with ethical issues.

This Policy is intended to complement the Code of Conduct and Ethics for Directors. As the Policy merely sets out general guidelines, Directors should abide by the spirit of the Policy as well as any applicable law, legislation or the Main Market Listing Requirements (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). Directors should also bring to the attention of the Board any queries or doubts in relation to the scope, the application, or any provision of this Policy. Under certain circumstances where COI situation is unavoidable, it is important that it is dealt with appropriately.

2. DEFINITION OF COI

Generally, COI refers to situations where:

- (a) the interests of the said person (who is often a person in a position of trust), interfere, or appear to interfere, with the interest of the listed issuer of its subsidiaries; or
- (b) the said person has interests that may make it difficult to perform his or her role objectively and effectively.

A COI may be actual or potential and may be financial interest (such as shares, gifts, discounts, contracts, property, monetary and rewards) or indirect financial interest, non-financial interest (e.g. arising from relationships whether family, business or professional interests).

A potential COI is a COI that has yet to materialize or happen, but may arise subsequently due to, among others, prevailing relationships or interests of the said person.

****Note:***

For the purpose of this Policy, “Directors” include a person who is a director, chief executive officer, c-suites, financial controller, or any other person primarily responsible for the operations or financial management of the Company and its subsidiaries and include senior/key positions appointed by the Board, by whatever name called. This Policy applies accordingly to the position requirements, as well as the applicable requirements and laws.

3. AVOIDING INSTANCES OF COI

Directors have a duty to act in the best interests of the Company and should ensure that this duty is not impaired in any way. The personal interests of a Director or persons associated with the Director must not be allowed to prevail over the interests of the Company or its shareholders. This includes the interests of a spouse, parent, child or sibling of the Director or any company, corporation, partnership, trust or other entity owned or controlled by the Director or in which the Director has substantial personal interest.

As such, Directors should refrain from placing themselves in a situation where these interests, whether professional or personal, would or would likely to be directly or indirectly in conflict with the interests of the Company. A COI exists where a Director's personal or business interest interferes, or even appears to interfere, in any way with the interests of the Company that could lead to personal gain (directly or indirectly) or advantage of any kind for himself or any other person, or cause detriment to the Company.

A conflict situation can arise when a Director takes actions or has interests that may make it difficult to objectively and efficiently perform his or her duties to the Company. In line with Chapter 3 Conduct Requirements for Directors under the Securities Commission's Guidelines on Conduct of Directors and in accordance with the Directors' core/fiduciary duties as stipulated in the Companies Act 2016 ("the Act"), Directors must act in line with what they believe to be the Company's interests and it is the duty and responsibility of Directors to exercise their power for a proper purpose and in good faith at all times in the best interest of the Company.

In addition, in order to protect the reputation of both the Director and the Company, Directors should as far as possible also avoid situations which might reasonably appear to be conflicts of interest and could result in an appearance of impropriety.

4. DISCLOSING COI

A Director has the primary obligation to disclose to the Board all COI that have occurred or may possibly occur as soon as the Director is aware of a conflict or the possibility of a conflict. This will ensure that the Director complies with his duties under Section 221 of the Act, which requires every Director of the Company, whether directly or indirectly interested in a contract or proposed contract with the Company, shall as soon as practicable after the relevant facts have come to the Director's knowledge, declare the nature of his interest at the board meeting. Director may make such disclosure using the prescribed standard forms, containing details of the interest and the nature of the conflict, giving notice to the Company Secretary, who will disseminate the information to the Board as soon as is practicable.

Director should be transparent in any disclosure of his interests, disclosing the nature and extent of the conflicting interest in line with the procedures or processes as may from time to time be prescribed by the Company or the relevant authorities for such disclosure.

This duty to disclose to the Board is non-delegable and the responsibility falls on the Director alone. This is because the Director would be the best person to exercise judgement as to whether a situational conflict or potential conflict would arise. If in doubt as to whether a particular interest might conflict with the interests of the Company, Director should err on the side of caution and disclose the potential conflict to the Board as long as there is even the slightest possibility of a potential conflict.

In particular, Directors (including the Group CEO) are required to make the following disclosures to the Board on a periodic basis (either quarterly, semi-annually or annually) or as and when required to comply with internal and regulatory disclosures:

- i. Disclosure by the Director of the following interests in the prescribed standard form:
 - a. the direct and indirect interests in the Company's shares and debentures as well as interests in options in shares and warrants (where applicable). In addition, a Director/Group CEO is deemed interested in the shares and debentures in which his/her immediate family members (i.e. spouse and children, including step-children and adopted children, provided such person is not also a Director or CEO) have an interest. Relevant details of how the deemed interests arise should also be provided.
 - b. list of other directorships and appointments.
- ii. Disclosure of any changes in the interests declared by the Director under (i)(a) above as soon as the Director is aware of such change.
- iii. Disclosure of any actual or potential COI that may arise as soon as the Director is aware of the conflict. The Audit Committee is tasked by the Board to consider reasonable steps and measures to manage, resolve or eliminate the COI or potential COI and mitigate the impact of the conflicts on the negotiation/discussion/decision making process.
- iv. Where necessary, Directors should consult the Chairman of the Board prior to accepting any new appointments to the board of directors or advisory board of any public or privately held company or any other commitments (such as fulltime occupation, consultancy work, committee work, involvement in non-profit organizations) so that such appointments may be considered by the Board to ensure it does not conflict with the duties and time commitment expected from the Directors in the Company.

All records of the disclosure and declaration by the Directors and Group CEO of their interests are maintained by the Company Secretary, while the records and disclosures by other management personnel and staff are maintained by the Group People Department.

5. ABSTAINING FROM PARTICIPATION IN MATTERS INVOLVING CONFLICT

Section 222 of the Act and the Company's Constitution provide that a Director shall not vote in respect of any contract, arrangement or any other proposal whatsoever in which he has any personal material interest, directly or indirectly. Directors should also recuse themselves from discussions and abstain from voting on resolutions regarding a transaction or proposed transaction in which the Director has an interest or is conflicted. This includes discussions at all levels within the Group, including, but not limited to, the Company's subsidiaries and any committees and sub-committees that are involved in the proposed transaction. This will prevent any risk of the Director acting in the interests of persons other than the Company, and will also prevent any appearance of impropriety on the part of the Company or the Director.

Further, where the interested or conflicted Director is aware of certain facts which may be relevant to the resolution to be approved at the meeting, and knows that the other Directors may not be privy to these facts, the interested or conflicted Director should, where it is lawful to do so, disclose these facts to the other Directors, especially where the disclosure of these facts would better equip the other Directors to safeguard the interests of the Company.

Taking into account the significance of the COI and the potential ramifications of a failure to handle the conflict properly, Directors should also consider whether to inform the Board not to send them board papers relating to the resolution. In severe situations, Directors should consider whether it might be appropriate to resign from the Board or take a leave of absence. This is particularly relevant where the COI is a material one that will continue over a prolonged period or where it results in the appearance of serious impropriety on the part of the Company or the Director and if the continued presence of the Director would compromise the interests of the Company.

6. IMPROPER PERSONAL BENEFITS AS A RESULT OF THE DIRECTOR'S POSITION

Directors should refrain from improperly using their position in the Company, or information acquired by virtue of their position, to directly or indirectly obtain benefits for themselves or persons associated with them. This is especially where this could lead to adverse consequences for or detriment to the Company. Persons associated with a Director would include any spouse, parent, child or sibling of the Director, or any company, corporation, partnership, trust or other entity owned or controlled by the Director or in which the Director has a substantial personal interest.

For instance, Directors should exercise reasonableness and refrain from accepting gifts with an excessive consideration or value from customers, existing or potential business partners, or members of the public inappropriately that may be construed as having the potential to influence business decisions made by the Director. Directors should also exercise restraint and discretion in entertaining and giving gifts to customers, existing or potential business partners, or members of the public. The onus is on the individual to use good judgment and ensure there is no violation of the guidelines set forth in this policy. If there is any question or uncertainty about whether the gifts or proposed gifts are appropriate, please seek advice from the Audit Committee.

In addition, Directors are prohibited from taking for themselves (or directing to family members and companies to which they are associated/affiliated or to any third parties) personal or business opportunities or activities not within the ordinary course of the businesses of the Company and its subsidiaries (“the Group”) that arise through their position as Director, whether through use of information acquired or property entrusted to them as Director in the course of the ordinary businesses. Directors should also avoid competing with the Company and Group for business opportunities.

7. LOANS TO DIRECTORS

Loans from the Company to Directors or persons and companies associated with Directors are prohibited, except in the limited circumstances permitted under the Act.

8. CONFIDENTIALITY AND IMPROPER USE OF INFORMATION AND COMPANY ASSETS

Another aspect of the duty to avoid COI would be to avoid making improper use of information acquired as Director or assets of the Company which have been entrusted to him or her as Director. Directors should use such information and assets only in furtherance of the Company's interests, and should not use such information and assets to further their own interests or the interests of their associates.

Directors should keep information obtained due to their position in the Company confidential. Each Director, during his or her term as a Director and after leaving the Board, must maintain the confidentiality of such information except when disclosure is authorized or legally mandated. Such information should be disclosed or released to the public only in accordance with the Company's guidelines on disclosure. In particular, information which is not publicly available, and which would have a material effect on the share price of the Company should not be disclosed to other persons.

If a Director is legally required to disclose any such information, he or she must provide the Chairman of the Board with prompt notice of such requirement.

A Nominee Director wishing to disclose to the Nominee's principal information received by the Nominee Director from the Company must ensure that the disclosure will not be likely to prejudice the Company. Additionally, the Nominee Director is required to first seek the approval of the Board of Directors before making such disclosure.

Directors should direct all media and analyst queries to the Company's Group Corporate Communications department and Investor Relations respectively.

9. DEALING IN SHARES OF THE COMPANY

To avoid conflicts between Directors' interests and the interests of the Company, Directors should adhere to all rules and regulations relating to the dealings in shares of the Company, and must abide by any requirements established by the Board involving the sale and purchase of shares of the Company.

A Director should avoid the sale and purchase of shares of the Company on short-term considerations. Directors must not trade in the shares of the Company if, at the relevant time (including during an “open” trading period), they are in possession of information concerning the Company that is not generally available to the investing public, such information being of a nature which would, or would likely to, have a material effect on the price or value of the shares of the Company.

10. COMPLIANCE PROCEDURES

Directors should communicate any suspected violations of this Policy promptly to the Chairman of the Board. If the suspected violations involve the Chairman of the Board they should be communicated to the Chairman of the Audit Committee.

Suspected violations will be investigated by the Board or by a person or persons designated by the Board and appropriate action will be taken in the event it is determined that any violation of this Policy has occurred.

This Policy shall be reviewed periodically to ensure its relevance to current practices and law. Directors are to annually sign a confirmation that they have read and understood and will comply with this Policy.