




Conflict of Interest Policy

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Approved By Board of Directors		 (Signature)	Approved Date 20 Dec 2024
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1.0 PURPOSE

Leader Energy Group Berhad (formerly known as Leader Energy Holding Berhad) (“the Company”) and its subsidiaries (the “Group”) are committed to complying with the applicable Conflict of Interest (“COI”) Policy.

The Main Market Listing Requirements requires a listed issuer to disclose the nature and extent of any COI or potential COI including interest in competing business involving directors, key senior management, and legal representative of a listed corporation (collectively, the “said person”). It is the responsibility of the said person to disclose any potential or actual COI to the Company, the Group and/ or the Board of Directors of the Company.

Bursa Malaysia Securities Berhad (“Bursa”) refers COI 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 interests of the listed issuer or its subsidiaries (“listed issuer group”); or
- b) The said person has interests that may make it difficult to perform his or her role objectively and effectively.

It is Bursa’s expectations that interest in a COI involving the said person is not limited to direct financial interest but also include an indirect financial interest, non-financial interest (e.g. arising from relationships whether family, business, or professional interests), or competing loyalties or interests.

The COI is broadly categorised as:

- i. Actual COI (the person faces a real, existing conflict).
- ii. Potential COI (the person is in or could be in a situation that may result in a conflict).
- iii. Perceived COI (the person is in or could be in a situation that may appear to be a conflict even if this is not the case).

All three types of conflict are a potential risk to the Company. Having a COI is not necessarily wrong. However, conflicting interests can make it difficult for that individual to work objectively and efficiently when making judgments, taking decisions, or pursuing certain actions, and may also have legal and regulatory consequences. Thus, disclosure of COI is critical and helps to protect the integrity and reputation of both the Group and the person involved.

This COI Policy is not meant to be exhaustive and sets out the general expectations upon all Employees in respect of their obligations. In the event there are any conflicts or discrepancies between this COI Policy and the applicable laws, regulations or listing requirements, the applicable laws, regulations or listing requirements shall prevail.

This Policy provides instruction and guidance on the Group’s position regarding COI and how they should be managed.

It explains the relevant principles and rules for preventing or managing COI, and how such principles and rules are to be implemented.

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2.0 SCOPE

This Policy applies to all Employees (including the Directors - whether Executive or non-Executive, except as otherwise stated in this Policy, whether temporary, contract-basis or permanent) of the Group irrespective of whether they are stationed in Malaysia or outside Malaysia.

3.0 TERMS

The terms and definitions used in this procedure are as follows.

Term	Abbreviation
COI	Conflict Of Interest
GCO	Group Compliance Office
Cosec	Company Secretary
KSM	Key Senior Management

4.0 RESPONSIBILITY

The Company requires for the undertaking of the responsibilities as set out below:

- a) It is the responsibility of the Directors and the Group Employees to adhere to the principles and rules set out in this Policy.
- b) The Group Compliance Office (“GCO”) is responsible for managing the COI disclosure of the Group Employees, by using the “Conflict of Interest Disclosure Form” found in **Form 1**.
- c) The Company Secretary (“Cosec”) is responsible for managing the statutory COI disclosure of the Directors and Key Senior Management (“KSM”), by using the “Conflict of Interest or Potential Conflict of Interest Declaration Form” found in **Form 2**.
- d) The Human Resources department is responsible to ensure new Employees of the Group are made aware of the COI disclosure requirement during the Employee on-boarding process.
- e) The GCO is also responsible for overseeing the implementation, communication, monitoring and updating of this Policy.

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5.0 POLICY

5.1 It is the policy of the Group that the disclosure and management of COI is the responsibility of its Employees at all levels.

- a) All Employees have a duty to be free from the influence of any conflicting interest when they represent the Group and are expected to deal with Business Associates on the sole basis of what is in the best interest of the Group.
- b) Each Employee shall identify and avoid any situation that affects or appears to affect his/her ability to act in the best interests of the Group. Some examples of conflicts of interest situations are:
 - i. If an Employee competes with the Group.
 - ii. If an Employee owns an interest in, directly or indirectly, or works for a competitor, customer, supplier, or any business that does or seeks to do business with the Group.
 - iii. If an Employee accepts loans, services, significant gifts or other benefits from customers or suppliers.
 - iv. If an Employee of the Group contracts or deals with customers, suppliers or business owned, related and/ or managed by his/ her close friends or family, a public official, or a business where the Employee holds an interest (financially or otherwise).
 - v. If an Employee provides donations and/ or sponsorship where the recipient is or is connected to a family member within the Group, a public official or where the Employee receives a gain (financial or otherwise) in return.
 - vi. If an Employee accepts meals and/ or entertainment which may affect the Employee's objectivity and judgment.
- c) Any Employee who has or deemed to have a conflicting interest shall disclose as soon as practicable as set out under Clause 5.2 by stating the nature, facts, extent of the conflict and proposed action to resolve/ manage the conflict.
- d) This disclosure requirement extends to the Employee's family or household member's (i.e. spouse, parents, children and their spouses and siblings and their spouses) interest in suppliers, customers, contractors and all other business enterprises with significant transactions or dealings with the Group, where the submission of **Form 1** and **Form 2** shall apply accordingly.
- e) The Employees should take the necessary steps (including reading information provided by the Group) to understand what a COI is, avoid such conflicts where possible and disclose them if they do arise. Employees of the Group must avoid situations in which their personal interest would conflict with their duties and responsibilities. Having a conflict of interest is not in itself corrupt, but corruption can arise where Employees breached the duty due to the Group by acting regarding another interest.

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- f) Some COI are insignificant and can be managed through disclosure and monitoring, with no further action required. However, some COI represents a high risk to the reputation or business interests of the Group, and these should be avoided. 'Avoiding' a COI means the Employees decide or take actions to ensure a COI does not occur, be it actual, potential, or perceived.
- g) The Employees should consult their manager if in doubt about what circumstances might create a COI.

5.2 The Group Employees and Directors should disclose COI in the following manner:

- a) The Group Employee must disclose COI to his Line manager at the earliest opportunity (as soon as the person becomes aware that there is potential or perceived COI) in the Conflict-of-Interest Disclosure form (**Form 1**) The Line manager shall escalate the report to the GCO to obtain further approval or clearance.
- b) The Directors and KSM should disclose the COI by submitting the Conflict of Interest or Potential Conflict of Interest Declaration Form (**Form 2**) by way of written notice or electronic means such as email to Cosec for record-keeping and escalate to the Audit Committee and Board for deliberation and approval.
- c) Newly hired Employees should disclose COI within 7 working days from on-boarding day.

5.3 This Policy also requires that a COI is addressed so that the conflict risk is effectively mitigated.

- a) Addressing a COI is the responsibility of the Employee's Manager. It is the process of identifying and implementing strategies and practices to minimize the risks associated with the disclosed COI.

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- b) The Company expects the Manager to:
- i. Treat the information disclosed by the Employee with confidentiality and without bias.
 - ii. Fairly evaluate the COI situation, including the risks to the business interests and reputation of the Company.
 - iii. Seek guidance if needed from his or her own Manager and from supporting functions.
 - iv. Make a pragmatic decision to address the COI. This should be done in such a way that any risks to the Group are minimized, the ongoing operation of the department is not unnecessarily disrupted, and the personal interests of the Employee are protected as far as possible.
 - v. Communicate the decision and its reasoning to the Employee and follow up to ensure the person understands and complies with it.
 - vi. Ensure the disclosure is documented by the Employee by completing the COI Disclosure form.
 - vii. COI disclosure relating to Employees below Senior Manager level must be verified by GCO and obtained approval from the Human Resources Director.
 - viii. COI disclosure relating to Employees at Senior Manager level and above (exclude Directors and KSM) must be verified by the GCO and obtained approval from the Executive Deputy Chairman and Co-Group Chief Executive Officer.
- c) For the Directors and KSM, the Board will manage the disclosure to achieve the appropriate outcome, with the assistance of the Cossec.

COI disclosure relating to Directors and KSM must be submitted to Cossec for review and further submission to the Board, where approval or clearance from the Board shall be obtained (ie. The Board will deliberate and decide on further action regarding the COI disclosed during the quarterly Audit Committee meeting). All the COI matters relevant to the Directors and KSM must be documented (ie. by minutes or directors' resolution) by the Cossec.

- i. In the case of a Director or KSM, who is having an interest, either directly or indirectly or whether actual or potential, in any transaction or arrangement with the Group, or, holding any office or possessing any property where duties or interest as Director or KSM may be created in conflict with his/ her duties or interest as Director or KSM of the Group, shall as soon as practicable after the facts have come to the Director's or KSM's knowledge, or, after becoming director or KSM or possessing the property (as the case may be), declare the nature, character and extent of the Director's or KSM's interest and conflict via Conflict of Interest or Potential Conflict of Interest Declaration Form or by way of written notice or electronic means such as email to the Cossec.
- ii. Directors should declare any interest relevant to agenda items at the start of a meeting and/or during discussion (including where there is potential for a perceived COI). Where there is a COI, the said director will not participate in the consideration of the relevant item and shall withdraw from the discussion (recuse or abstain) thereon and shall not vote on the resolution in respect of the relevant item. If necessary, the Chair will determine whether there is a COI.

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- iii. All Directors and KSM are required to make a declaration of COI on a quarterly basis via Conflict of Interest or Potential Conflict of Interest Declaration Form.
 - iv. Where there is any change in the nature and extent of the Director's or KSM's interest after the disclosure, the Director and KSM shall make a further disclosure of such changes.
 - v. The declaration form must be escalated to the Audit Committee and the Board of the Company (directly or via Cosec) and recorded by the Cosec.
 - vi. The Audit Committee shall review the declaration made by the Directors or KSM and propose the course of action to take to manage the conflict as well as to mitigate the impact of the conflict on the decision-making process.
 - vii. The Director and/ or KSM who is involved in the COI or potential COI after consultation and review by the Audit Committee, should abide by the Audit Committee's determination on the reasonable steps and measure to manage, resolve or eliminate the COI or potential COI. The participation of the conflicted Director or KSM should be limited and restricted. Such limitation or restriction should include, but is not limited to the following: -
 - a) abstaining from any involvement whatsoever in the matter;
 - b) refraining from discussions about the matter;
 - c) continue to receive board papers and other information in relation to the COI matter, unless the Chairman or the Board determine otherwise; and
 - d) abstaining from voting on the decision.
 - viii. The Cosec shall minute the declaration and decision taken on the COI matter.
 - ix. The Chairman of the Board/Chairman of the meeting is advisable at every meeting i.e. before the commencement of the agenda items to remind the Directors to make declaration/disclosure should there be any COI (including potential COI) based on matters tabled at the meeting.
- d) For the other employees, the Human Resources Department will keep track and maintain records for all the COI related matter.

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6.0 NON-COMPLIANCE AND SANCTIONS

The Group regards COI as a serious matter. Non-compliance may lead to disciplinary action, up to and including termination of employment. Further legal action may also be taken if the Group's interests have been harmed due to non-compliance.

7.0 REVIEW OF THIS POLICY

- 7.1 The Management shall review and assess the effectiveness and continued relevance of this Policy periodically. Any revisions to the Policy as recommended by the Audit Committee will be submitted to the Board for consideration and approval.
- 7.2 This Policy, which was reviewed by the Audit Committee, was adopted by the Board and is available on the Company's website.

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8.0 LIST OF SUPPORTING DOCUMENTS

Supporting Document	Reference Number
Form 1 - Conflict of Interest Disclosure Form	LEGB-GPOL-GRC-03-F1
Form 2 - Conflict of Interest or Potential Conflict of Interest Declaration Form	LEGB-GPOL-GRC-03-F2

9.0 REFERENCES

Reference Document	Reference Number
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