



STO Policy

Conflict of Interest Disclosure Policy

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STO Board directors and employees must disclose conflicts of interest and use corporate information responsibly, maintaining confidentiality and ensuring decisions are made with integrity for the best interests of the Company.

This Policy establishes principles and guidelines for the disclosure of conflicts of interest and the proper use of corporate information and property at STO. It applies to the Board directors and all employees of the Company, and outlines procedures for declaring conflicts, safeguarding proprietary information, and ensuring that decisions made by directors or employees are free from undue influence.



Conflict of Interest Policy

Purpose

To establish a set of principles and guideline for the disclosure of conflict and interest, use of corporate information and property by the Board directors and employees the Company.

Effective date

Since October 2020.

Scope

This Policy applies to the Board directors and employees of the Company.

Policy Statement

This Policy stipulates the measures to be followed when:

- Declaring conflict of interest.
- Using corporate property and information.



Conflict of Interest Policy Principles

1. Declaration of Conflict of Interest

- 1.1. A conflict of interest must be disclosed using Form 1 in the following circumstances. The declaration should cover any conflict as well as any material monetary interest or other similar interests.
- 1.2. Conflicts of interest arise from the following circumstances:
- When a *Board Director, an employee, a member of their immediate family, their business partner(s), or a company/institution in which they hold shares (they)*, engages in any form of business, employment or transaction with STO.

- When STO directly or indirectly makes any form of payment or compensation for work or transactions **they** have conducted for or with the Company.

1.3. Declarations must be made immediately when a conflict of interest arises. However, any conflicts of interest related to past incidents must also be declared if it is determined that they may in any way influence the current situation.

1.4. Any conflict of interest that arises beyond the scope outlined in this Policy should be declared where it is deemed necessary. All such matters must be communicated as follows:

- To the Company Secretariat in case of Board of Director,
- To the Managing Directors' secretariat in the case of Executive Team members,
- To Human Resource Department in case of employees.

2. Process to be followed to Declare the Conflict of Interest

- 2.1. Board Directors must submit their conflict-of-interest Form to the Company Secretariat.
- 2.2. Executive Team members shall submit the Form to the Managing Director's Secretariat.



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- 2.3. All other employees shall submit the Form to Human Resources.
- 2.4. Board Directors, Executive Team members, and all employees must submit Form 1 annually, in January of each year.
- 2.5. Form 1 must be completed and submitted at the time of a Board Director's appointment, and by employees during their first week of employment.
- 2.6. If any conflict arises before the end of the year, it must be disclosed and updated through Form 1 at the earliest opportunity.
- 2.7. STO reserves the right to verify the declarations by submitting them to the

relevant authorities, if deemed necessary.

- 2.8. Registers must be maintained and regularly updated for all declarations made. The responsibility for maintaining these registers lies with the following departments:
 - Company Secretariat: for Board of Directors
 - Managing Director's Secretariat: for Executive Team members
 - HR: for all other employees
- 2.9. Declared information will only be shared with relevant departments and regulatory bodies, if necessary.

- 2.10. The Company Secretariat, Managing Director's Secretariat, and HR are responsible for safeguarding the disclosed information and ensuring it remains confidential.
- 2.11. If the subject matter or any part of it presents a conflict of interest for an employee or director during a business meeting or committee, they must:
 - Inform the Chairman of the meeting
 - Ensure the conflict is recorded in the meeting minutes
 - Refrain from participating in discussions or decision-making related to the matter
 - Refrain from voting on the matter



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2.12. Neither Board members nor employees of the Company shall exert any undue influence, gained from their relationship with the Company, when making decisions on its behalf.

2.13. If a decision is necessary or deemed beneficial for the Company and its stakeholders, such matters may be considered based on the merits of the situation.

2.14. The following information must be included in the register of declarations:

- Name, National Identity Card Number, Staff ID, Designation, and

details of the conflict of interest and the date the conflict of interest was declared.

3. Use of Proprietary Property and Information

3.1. Proprietary property must be used in accordance with the guidelines and policies approved by the Board of Directors.

3.2. Proprietary information is defined as any knowledge obtained through association with the organization, either as a stakeholder or employee, or any other confidential information that must be kept within the Company.

Disclosure of such information to the public is strictly prohibited.

3.3. Proprietary information shall only be used for the legitimate needs and requirements of the Company.

3.4. Maintaining the integrity, confidentiality, and protection of proprietary information is the responsibility of both Directors and Employees.

4. Violation of this Policy

Appropriate action will be taken against the Employees as per Company Policies and Procedures, where it is proved any violation of this Policy.



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