



**EQUITY GROUP HOLDINGS PLC**

---

**CONFLICT OF INTEREST POLICY**

## Contents

|           |  |          |
|-----------|--|----------|
| <b>1</b>  | <b>INTRODUCTION .....</b>  | <b>3</b> |
| <b>2</b>  | <b>COMMITMENT .....</b>  | <b>3</b> |
| <b>3</b>  | <b>CONFLICT OF INTEREST .....</b>  | <b>3</b> |
| <b>4</b>  | <b>GUIDING PRINCIPLES ON CONFLICT OF INTERESTS .....</b>                 | <b>4</b> |
| <b>5</b>  | <b>PROCEDURES FOR ADDRESSING CONFLICT OF INTERESTS .....</b>             | <b>5</b> |
| <b>6</b>  | <b>GIFTS, HOSPITALITY AND OTHER BENEFITS .....</b>                       | <b>6</b> |
| <b>7</b>  | <b>GUIDING PRINCIPLES ON GIFTS, HOSPITALITY AND OTHER BENEFITS .....</b> | <b>6</b> |
| <b>8</b>  | <b>REGISTER OF CONFLICT OF INTERESTS AND GIFTS .....</b>                 | <b>6</b> |
| <b>9</b>  | <b>ANNUAL STATEMENTS .....</b>   | <b>6</b> |
| <b>10</b> | <b>VIOLATIONS OF THIS POLICY .....</b>                                   | <b>7</b> |
| <b>11</b> | <b>POLICY REVIEW .....</b>   | <b>7</b> |
|           | <b>Annex 1 .....</b>   | <b>8</b> |

## **1 INTRODUCTION**

- 1.1 This Policy shall be applicable to Board members and is intended to provide guidance to the Board and Board members when actual or potential conflicts of interest arise.
- 1.2 Adherence to the principles in this Policy is a condition for continued Board membership and service. A breach of this Policy may result in a Board member being requested to resign from their role.
- 1.3 Members of the public, employees or Board members who have reason to believe that a Board member has not acted in accordance with this Policy can bring the matter to the notice of the Board.
- 1.4 Every Board member has a personal responsibility to know and follow this Policy, including reporting any known or suspected breaches of the same.
- 1.5 The Group recognizes that continuous guidance is required in this area and is therefore committed to providing Board members with the necessary support and guidance to enable them avoid/and or manage any conflict of interests that may arise.

## **2 COMMITMENT**

- 2.1 By accepting a Board position, each Board member commits to act honestly, in good faith and in the best interests of the Group, avoiding actual, potential and perceived conflicts between the interests of the Group and their personal, professional or business interests.
- 2.2 Where in doubt about the provisions of this Policy, Board members shall seek clarification from the Chairperson of the Board or the Group Executive Director.

## **3 CONFLICT OF INTEREST**

- 3.1 Conflict of Interest refers to a situation in which a person has direct or indirect private or personal interest in a matter which is sufficient to directly or indirectly influence or has the potential to directly or indirectly influence the objective exercise of his or her official or professional duties or the making of an impartial decision over the same or related matter.
- 3.2 Conflicts of interest therefore may arise where a Board member or their family members such as a spouse, son, adopted son, step-son, son-in-law, daughter, adopted daughter, step-daughter, daughter-in-law, father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, brother-in-law, sister or step-sister, sister-in-law, grand child or spouse of a grandchild has private interests that could improperly influence the performance of the Board member's official duties and responsibilities or where a Board member uses their office for personal gain, or the gain of those family members.
- 3.3 The Group recognizes that it is not possible to foresee every situation that could give rise to real, apparent or potential conflict of interest. Examples of conflicts include but are therefore not limited to situations where a Board member or his or her family member;
  - (a) has a financial interest in a customer, shareholder, creditor or debtor (examples may include employment by, a consultant to, a representative or agent for, a partner of, holding any office in or deriving any income from any entity doing or seeking to do business with the Group) that conflicts with the interest of the Group in any manner, and for avoidance of doubt, this does not apply in cases the Board member has holdings of public quoted securities unless the Board views the interests to be material, and that the financial interest is considered likely to impair the objectivity of Board member concerned. Any holding of 5% or more of the voting shares of a company would be regarded as material; or
  - (b) participates in managerial or consultation services to any outside concern that does business with the Group; or
  - (c) receives compensation, gifts, favors, entertainment or other similar benefits from any outside concern, which does or seeks to do business with the Group; or
  - (d) discloses or uses confidential, special or inside information of or about the Group for personal profit or advantage; or
  - (e) has an opportunity to influence the Group's administrative or other material decisions in a manner that leads to personal gain or advantage; or

- (f) participates in deliberations or actions resulting in the purchase of goods or services from any organization in which the Board member or his/her family member has a financial interest; or
- (g) participates in a recruitment exercise that involves a family member, close associate or friend.

- 3.4 A conflict of interest could be real, potential or perceived. A real or actual conflict of interest exists at the present time. A potential conflict of interest is reasonably foreseen to exist in the future, while a perceived conflict of interest is a situation where a conflict of interest could be perceived by a reasonable observer to exist, whether or not it is the case.
- 3.5 While it is in the interest of the Group for Board members to participate in various civic and professional organisations, it is important that the Group's ethical standards are not compromised and that Conflicts of Interest are avoided. Business relationships must be carefully scrutinised to avoid even the appearance of impropriety.

#### **4 GUIDING PRINCIPLES ON CONFLICT OF INTERESTS**

- 4.1 Board members are obliged to act in good faith and to use their best efforts to avoid situations where there is a likelihood of actual and perceived conflicts between the interests of the Group and their personal, professional or business interests.
- 4.2 In order to ensure the highest integrity among the Board members and public confidence in the Group, Board members shall be required to disclose any circumstances that could give rise to potential or actual conflict of interest between their private activities and the business of the Group.
- 4.3 In addition, Board members shall be expected to observe any specific conduct requirements contained in the Code of Conduct and Ethics and applicable laws and regulations governing ethical behavior and their professions, where applicable.

In particular, Board members;

- (a) Are required to conduct their relationship with customers, shareholders, creditors, debtors, contractors and suppliers in a professional and impartial manner.
- (b) Should refrain from the direct or indirect use of, or allowing the direct or indirect use of the Group's property, for anything other than officially approved activities.
- (c) Should be aware that the acceptance of any offer of future employment including consultancy or directorship with a customer, shareholder, creditor, debtor, contractor, supplier or business partner constitutes a potential conflict of interest.
- (d) Should ensure that concurrent outside appointments, such as a directorship, are managed appropriately and that any resulting conflicts of interest are disclosed.
- (e) Should declare to the Board a benefit or income received either directly or indirectly from a contract with external parties on contractual or other arrangements with the Group. The Board will determine whether the arrangement presents a real, potential or perceived conflict of interest, and may require that the contract be modified or terminated.
- (f) Are required to deal at arms-length in any matter that relates to the Group.
- (g) On appointment and at regular intervals or at any time when circumstances change, shall, in good faith disclose to the Board for recording any other business or interest likely to create a potential conflict of interest.
- (h) Should disclose to the Board or relevant committee the existence and nature of any actual, potential or perceived interest in any proposed transaction or arrangement involving the Group.
- (i) Should not get involved in the hire, supervision, management or career planning of any relative at the Group.
- (j) Should not make improper use of one's position or of confidential information gained in that position to achieve personal interests or direct gain.

- (k) Should not allow relationships with customers, shareholders, creditors, debtors, contractors and suppliers to influence business decisions made on behalf of the Group.
- (l) Shall not use their office to unlawfully or wrongfully enrich himself or herself or any other person.
- (m) Shall not accept a personal loan or benefit, which may compromise the carrying out of their roles and responsibilities.
- (n) Shall not participate in a tender for the supply of goods or services to the Group by an entity he or she is associated with.
- (o) Should seek guidance from the Board when unclear whether circumstances give rise to a conflict of interest.

## **5 PROCEDURES FOR ADDRESSING CONFLICT OF INTERESTS**

### **5.1 Disclosing the conflict and refraining from voting**

- (a) A Board member should disclose the nature and extent of a conflict and refrain from voting on a matter involving the conflict.
- (b) This disclosure should be recorded in writing in the minutes of the Board or Committee.

### **5.2 Refraining from discussion**

- (a) If a conflict is of a minor nature, it may be sufficient for a Board member who has disclosed his or her interest to remain at the Board or Committee meeting and to simply refrain from discussing the matter.
- (b) An interested person can only exercise this option with the permission of the Board or Committee as the case may be.

### **5.3 Exclusion**

- (a) If a conflict is more substantial, the Board or Committee shall exclude the Board member from those portions of the meeting where the matter will be discussed. In the event that the conflict involves the Chairperson of the Board, the Vice-Chairperson shall conduct that part of the meeting, and in the case of a Committee, the said Committee shall elect one of the other members to chair the meeting. In the unlikely event that the declaration of a conflict deprives the Committee of a quorum, such matter may be submitted to the Board for final decision making and/or appointment of an additional member for purposes only of dispensing with the relevant matter.
- (b) In such case, the Chairperson of the Board or Committee may, where appropriate, appoint a disinterested person or Committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the Board or Committee shall in such case determine whether the Group can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- (d) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine whether the transaction or arrangement is in the Group's best interest and for its own benefit and whether the transaction is fair and reasonable to the Group and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

### **5.4 Recording**

- (a) The Company Secretary should maintain a Register of Conflicts of Interests for accountability purposes.
- (b) The minutes should also reflect how the conflict was managed.

## **6 GIFTS, HOSPITALITY AND OTHER BENEFITS**

- 6.1 The acceptance of gifts, hospitality or other benefits may have a real, apparent or potential influence on the objectivity of Board members in carrying out their official duties and responsibilities or that may place them under obligation to the donor.
- 6.2 As a general rule, Board members shall not accept gifts, monies, commissions, benefits, favours or other benefits or advantages except as set out in hereunder and in any relevant laws, regulations and policies.

## **7 GUIDING PRINCIPLES ON GIFTS, HOSPITALITY AND OTHER BENEFITS**

- 7.1 Gifts that the Group can give should be of modest value and preferably display the Group's Brand.
- 7.2 The Group discourages the acceptance of gifts by Board members. In this regard, a Board member shall not in relation to the Group, accept gifts or inducements, including hospitality that may place him/her under an obligation.
- 7.3 In particular, Board members shall not:
- (a) Accept gifts, meals or entertainment, or any other favor, from any person if doing so might compromise, or appear to compromise, their ability to make objective decisions in the best interest of the Group.
  - (b) Accept gifts in exchange for doing, or promising to do, anything for any person.
  - (c) Ask for gifts from any person.
- 7.4 The Group does not consider as gifts;
- (a) nominal value items such as low-cost pens, key rings, or mouse pads, which are given occasionally;
  - (b) gifts of symbolic value, such as trophies and statues that are inscribed in recognition of a business relationship;
  - (c) any gifts within the ordinary bounds of propriety, a usual expression of courtesy or protocol and within the ordinary standards of hospitality.
  - (d) gifts whose value does not exceed such value as may be prescribed by the Group from time to time.
- 7.5 Under no circumstances can any bribe, kickback, or illegal payment or gift of cash or cash equivalents be made to any Board member.
- 7.6 With the exception of fundraising for officially supported activities such as those relating to corporate social responsibility, Board members may not solicit gifts, hospitality, other benefits or transfers of economic value from a person, or company that has dealings with the Group.

## **8 REGISTER OF CONFLICT OF INTERESTS AND GIFTS**

- 8.1 The Company Secretary shall maintain a register to record conflict of interests including gifts and entertainment given to or received from external parties by Board members as well as offers made which have been declined.

## **9 ANNUAL STATEMENTS**

- 9.1 Upon appointment and annually thereafter, each Board member shall sign a statement in the form Contained in Annex 1 hereto, which affirms that such person:
- (a) has received a copy of this Policy;
  - (b) has read and understands this Policy; and
  - (c) has agreed to comply with this Policy.
- 9.2 In addition to declaring any conflict of interest at each Board meeting, Board members shall upon appointment and annually thereafter declare any potential conflict of interest as per the provisions of this Policy.

**10 VIOLATIONS OF THIS POLICY**

- (a) If the Board or Committee has reasonable cause to believe that a Board member has failed to disclose actual or possible conflicts of interest, or accepted a gift, hospitality or other benefit in contravention of this Policy, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (b) If, after hearing the response of the Board member and making such further investigation as may be warranted in the circumstances, the Board or Committee determines that the Board member has in fact failed to disclose an actual or potential conflict of interest or accepted a gift, hospitality or other benefit in contravention of this Policy, it shall take appropriate corrective action within its powers, including making a recommendation to terminate the Board member's service.

**11 POLICY REVIEW**

The Board will review this Policy regularly to ensure it remains consistent with the Board's objectives and responsibilities.

**Annex 1.**

**Director Conflict of Interest Statement/Attestation**

I..... of ID/Passport Number..... Serving as a Non-Executive Director of ..... (“Company”), hereby attest to the following:

1. I have received a copy of the Equity Group Holdings PLC (“Group”) Conflict of Interest Policy.
2. I have read and understood the Policy and agree to comply with it.
3. On this Form, I am disclosing other positions and responsibilities that may cause conflicting interests to arise.
4. Other Directorships and substantial shareholdings:

I set out here below information on all other directorships and/or substantial shareholdings in any corporation.

|   | Name of Company and place of incorporation | Nature of Business | Directorship (Executive/non-executive) | Date of appointment (mm/yy) | % Shareholding in corporation (if any) |
|---|--|--------------------|--|-----------------------------|--|
| a |  |                    |  |                             |  |
| b |  |                    |  |                             |  |
| c |  |                    |  |                             |  |
| d |  |                    |  |                             |  |
| e |  |                    |  |                             |  |

5. I will recuse myself from deliberations and decisions on transactions or arrangements that give rise to a conflict of interest: -

a) Professional, business or volunteer positions or responsibilities that might give rise to conflicts:

- (i) .....
- (ii) .....
- (iii) .....
- (iv) .....
- (v) .....

b) Situations in which I am serving as a vendor, or I am employed by or consulting with a vendor of the Group or any of its subsidiaries:

- (i) .....
- (ii) .....
- (iii) .....
- (iv) .....
- (v) .....



6. In addition to filing a disclosure statement annually, I will disclose to the Chairperson of the Board any possible conflict of interest whenever it may arise.

**Signed:** .....

**Date:** .....