

# **CONFLICTS OF INTEREST & RELATED PARTY TRANSACTIONS POLICY**

## CONTENTS

1. INTRODUCTION.....	3
2. CONFLICTS OF INTEREST.....	3
3. DEFINITION OF CONFLICTS OF INTEREST.....	3
4. GOVERNANCE.....	3
5. MANAGEMENT OF CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS.....	3
6. REPORTING.....	4

## 1. INTRODUCTION

The objective of the policy is to define the scope of conflicts of interest and related party transactions conducted by the Directors and Senior officers of Excelsior United Development Companies Limited ('EUDCOS' or the 'Company') and its subsidiaries (collectively the 'Group').

This policy is posted on the organisation's website.

## 2. CONFLICTS OF INTEREST

Directors have a legal obligation to act in the best interest of the Company and should make their best effort to avoid situations where there may be a potential conflict of interest or situations where others might reasonably perceive there to be a conflict of interest.

The personal interests of a director, or persons closely associated with the director, should not take precedence over those of the organisation and its shareholders.

The aim of this policy is to protect both the organisation and the involved from any appearance of impropriety.

## 3. DEFINITION OF CONFLICTS OF INTEREST

Conflict of interest can be defined as any situation in which an individual or Company is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit. A conflict of interest occurs when an individual or organisation is involved in multiple interests, one of which could possibly create unfavorable influence for an act in the other.

## 4. GOVERNANCE

The Board is ultimately responsible for establishing and implementing appropriate policies on conflicts of interests and related party transactions and for administering the process for handling the transactions within the Group.

The Board exercises this responsibility through:

- Delegation of oversight questions relating to conflicts of interest and related party transactions which may involve discussions with the auditors.
- The formal review and ratification of the Conflicts of Interest and Related Party Transactions Policy as applicable.
- Monitoring and reporting by Senior Management within the Group in respect of related party transactions.

- Regular review of related party exposure, including the Senior Management at subsidiaries level.

## 5. MANAGEMENT OF CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS

- Upon appointment, each Director and Senior officer will make a full, written disclosure of interests which will be handed over to the Company Secretary who will be responsible for maintaining an interest's register.
- It is the responsibility of each Director and Senior officer to ensure that interests be reported to the Company Secretary so as to be recorded in this register. Full and timely disclosure of any conflict, or potential conflict, must be made to the Board. This written disclosure will be kept on file and will be updated annually or as appropriate.
- In the course of meetings or activities, Directors and Senior officers shall forthwith after becoming aware of the fact that they are interested in a transaction or proposed transaction with the Group, disclose same to the Board and cause same to be entered in the interest register. If in doubt, the potential conflict must be declared anyway and clarification sought.
- Any Board member having a conflict of interest will not vote or use his or her personal influence on the matter and will not be present when the matter is discussed by the Board. The minutes of the meeting will reflect that a disclosure was made, and the abstention from voting.
- The Board has developed a corporate code of ethics that addresses issues that relate, *inter alia*, to conflicts of interest, particularly relating to directors and management.
- All transactions in which there are conflicts of interest with Board Members shall be agreed on terms that are customary for arm's length transactions in the organisation business. Decisions to enter into transactions in which there are conflicts of interest with Board members require the approval of the Board.

## 6. REPORTING

Transactions with related parties of the Group should be reported to the Corporate Governance Committee every semester.