

**CALGRO M3 HOLDINGS LIMITED**  
**(Reg No. 2005/027663/06)**

## **Conflict of Interest Policy**

### **1. Definitions**

The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely –

- 1.1 **“Board”** means the board of directors of Calgro M3;
- 1.2 **“Calgro M3”** means Calgro M3 Holdings Limited, Registration Number: 2005/027663/06 and its subsidiaries, divisions, joint ventures and any other entity where Calgro M3 exercises control, and their successors in title and assigns;
- 1.3 **“Employee”** means a person who has been appointed permanently or temporarily by Calgro M3, notwithstanding that such appointment may be on probation;
- 1.4 **“Executive Committee”** means the executive committee of the Board;
- 1.5 **“Policy”** means this Conflict of Interest Policy.

### **2. Policy Statement**

- 2.1 Calgro M3 recognises its obligations to those whom it deals with, namely shareholders, Employees, customers, suppliers, contractors, agents and the community at large and that Calgro M3 should maintain the highest ethical standard when carrying out its obligations.
- 2.2 Calgro M3 is committed to avoiding, and where this is impossible, mitigating any conflict of interest that may arise between Calgro M3 or its Employees and its clients, suppliers, contractors, consultants, agents and intermediaries when delivering its services and selling its products.

### **3. Policy Objective**

- 3.1 The purpose this Policy is to assist Calgro M3, the Board and Employees to identify and declare *potential or actual* conflicts of interest and illustrate how to manage same.
- 3.2 The Policy further aims to ameliorate the risk of damages or losses that may arise as a result of unmanaged or undisclosed conflict of interest. If not managed or there

is no adequate disclosure the consequences may result in Calgro M3 suffering reputational damage.

- 3.3 All Employees are expected to be truthful and faithful to Calgro M3 in all dealings and transactions relating to the business and interest of Calgro M3 and should use their best endeavours to protect and promote the business, reputation and goodwill of Calgro M3.
- 3.4 It is the responsibility of all Employees to familiarize themselves with the contents of the Policy and proactively seek guidance from management in cases of uncertainty.
- 3.5 All Employees must avoid personal activities or interests which conflict or may conflict with their duty and loyalty to Calgro M3.

#### **4. Scope of the Policy**

This Policy applies to all Employees (including directors) and all non-executive directors, joint venture partners, agents, consultants, suppliers, intermediaries and contractors.

#### **5. Conflict of Interest**

- 5.1 Employees are under a positive duty to harness their energies and skills to furthering Calgro M3's business interests. Employees must devote all their normal working hours to Calgro M3's business and may not, without Calgro M3's consent simultaneously work for another employer during those hours or after hours.
- 5.2 Employees who secretly compete with Calgro M3's business for their own account breach their fiduciary duty. Failure to disclose a financial interest in another company can also constitute a breach of the Employee's obligation to act in good faith towards Calgro M3 where the Employee stands to gain financially from dealings between Calgro M3 and the business in which he or she has an interest.
- 5.3 Conflict of interest arises in situations where a provider or its representative's obligations are compromised by self-interest. The interest can be that of a person or his / her family member, next of kin or partner, *actual* or *potential* and can take the form of financial interest or ownership interest or any relationship with the third party or associate in which:
  - 5.3.1 the interest influences the objective performance of an obligation by the Employee;
  - 5.3.2 prevents the Employee from rendering fair and unbiased service.
- 5.4. No Director, Manager or staff member may:
  - 5.4.1 have any outside interests in any transactions to which Calgro M3 is a party, if such interests might in any way influence the performance of his/her duties for Calgro M3, unless the outside interest has prior written approval from the Executive Committee.

- 5.4.2 seek or accept gifts, loans, shares, share offers or preferential treatment in respect of amenities or services from any party having business with Calgro M3 or in any way contravene the Calgro M3 Corporate Gifts and Entertainment Policy.
  - 5.4.3 have any interest direct or indirect in any competitor of Calgro M3.
  - 5.4.4 use or disclose any information obtained from Calgro M3 sources, which is not generally available to the public, for personal gain or for any reason other than that authorised for Calgro M3 purposes.
  - 5.4.5 authorise a loan to him/herself.
  - 5.4.6 act in contradiction to the Calgro M3 Procurement Policy and Corporate Gifts and Entertainment Policy or any guidelines in such respect.
  - 5.4.7 secure, source, canvass or promote any business or business activities for an external company, supplier or contractor within Calgro M3 where such Employee stands to gain directly, indirectly as friends, family, or in any other way which may be deemed to be personal or unethical.
  - 5.4.8 act in any other manner that could be construed or interpreted as a conflict of interest.
  - 5.4.9 unduly influence or attempt to influence the Board, the Executive Committee, or a structure of the Board, with the view of obtaining any appointment, promotion, privilege, advantage or benefit, or for a family member, friend or associate.
  - 5.4.10 take a decision on behalf of Calgro M3 concerning a matter in which that staff member, or member's spouse, partner or business associate, has a direct or indirect personal or private business interest.
  - 5.4.11 mislead or attempt to mislead the Board, the Executive Committee or a structure of the Board, in its consideration of any matter.
  - 5.4.12 disclose any privileged or confidential matters or information without prior written consent of the Executive Committee first having been obtained.
  - 5.4.13 without the prior consent of the Executive Committee be a party to a contract for the provision of goods or services supplied to Calgro M3, or for the performance of any Calgro M3 work other than what the person is employed to do.
  - 5.4.14 without the prior written consent of the Executive Committee obtain any financial interest in any business of Calgro M3 or be engaged in any business, trade or profession other than the work of Calgro M3.
- 5.5. In the event that there is uncertainty on whether conflict of interest exists, individuals are required to disclose the conflict and guidance in relation thereof will be provided.

## **6. Mechanism for identifying conflict of interest**

The test that must be applied to identifying or establishing conflict of interest entails the question whether the financial interest which Calgro M3 or an Employee or representative has or will receive or ownership interest or a relationship with a third party which may influence or have a potential to influencing Calgro M3's or the Employee or representative concerned judgment or objectivity when performing duties.

## **7. Measures for avoiding or mitigating of conflict of interest**

- 7.1 Employees must avoid at all costs, any situation that may lead to a conflict of interest. As such, every Employee has a responsibility to identify situations that may lead to conflict.
- 7.2 Employees are required to disclose and communicate to the Company Secretary any ownership interests or relationships with the third party which may create a conflict of interest situation where Employee's judgment or objectivity when performing Calgro M3's tasks is compromised.
- 7.3 Employees are required to declare conflicts of interests at least annually using the Calgro M3 prescribed form for declaration of Employees interests. In respect of new Employees such disclosure shall be made at the commencement of employment with Calgro M3.
- 7.4 Employees are required to declare interests on any items dealt with at meetings of all forums or committees they sit in as members or by invitation.
- 7.5 Any receipt of gifts and entertainment by Employees shall be dealt with in terms of Calgro M3's Corporate Gifts and Entertainment Policy
- 7.6 Where conflict is imminent the disclosure shall be made before undertaking such task or at the beginning of the decision making process.
- 7.7 Conflict of interest involving the Executive Committee shall be referred to the Board for approval.

## **8. External activities**

Jobs within Calgro M3 have been structured to be both challenging and demanding and Employees and managers are rewarded accordingly. Calgro M3, therefore, should enjoy the full contribution, time and energy of its Employees, whose leisure time should be devoted to relaxation. Hence Calgro M3 is not in favour of Employees pursuing other business interests, which involve personal participation and risk. Contacts made and information obtained through Calgro M3 suppliers may not be used in the interests of private business.

**9. Procedure to declare**

In the event where an Employee needs to advise or seek permission from Calgro M3 such request or information will be in writing and will be forwarded to the Company Secretary for submission to the Executive Committee.

**10. Internal Controls**

10.1 Calgro M3's Company Secretary shall maintain the Conflict of Interest Register.

10.2 The Company Secretary shall be responsible for monitoring and reporting on compliance with this Policy.

**11. Failure to adhere to the Policy**

Calgro M3 views its Conflict of Interest Policy in a serious light and failure by any Employee, Executive Committee or Board member to adhere to this Policy constitutes misconduct and may result in disciplinary action being taken against such Employee in accordance with Calgro M3's disciplinary code, as amended from time to time.

**12. Review of the Policy**

12.1 This Policy will be reviewed on a 3-5 year cycle and when amendments to the Policy are required by the Calgro M3 Social and Ethics Committee.

12.2 The Policy may be amended at any time by the Executive Committee should the need arise. All amendments made to this Policy by the Calgro M3 Executive Committee shall be referred to the Social & Ethics Committee for approval.

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