Title:	**Conflict of Interest Policy**	
Version:	V 0.6	
Company(ies):	Nippon Sanso (Thailand) Co., Ltd.	
Owner:	President	
Reviewed by:	South-East Asia Conflict of Interest Policy Member	
Reviewed and Approved by:	MS. Clara Teo, South East Asia Chief Compliance Officer (RCCO)	
Approved/Ratified by [Dr. Suwan Runggeratigul]:		Date of Approval/Ratification:
Issued on:	[October 1st 2021]	
Effective from:	[October 1st 2021]	
Review date and responsibility:	To be initiated annually by the Conflict of Interest Policy Coordinator in discussion with the President and the RCCO	

1. Purpose

The purpose of this Conflict of Interest Policy (the "**Policy**") is to provide guidance in identifying and handling potential and actual conflicts of interest involving [ ] [or any company within the [ ] group] (the "**Company**").

2. Scope

This Policy applies to all full-time, part-time, permanent and temporary employees (including freelance workers, contract staff, interns and staff seconded from affiliated companies to the Company), management members and directors of the Company (directors may have additional rules to comply with in accordance with local laws). For the purpose of this Policy, a reference to an employee means any of the aforementioned persons.

3. Conflict of Interest Situations

i. Employees are to make business decisions based on what is in the best interests of the Company and not for personal gain or benefit. Accordingly, employees should avoid conflicts of interest with the Company. Conflicts of interest may arise where an employee places his or her personal interests before the interests of the Company and where such personal interests unduly influence or appears to influence that employee's business judgments, decisions, or actions. In other words, a conflict of interest occurs when a personal activity, relationship or business involvement interferes – or appears to interfere – with an employee's ability to fulfil his/her job or responsibilities.

ii. Making judgments, taking decisions, or pursuing actions when facing a conflict of interest may make it difficult to perform work for the Company objectively and effectively and may have legal and regulatory consequences.

iii. The Company defines conflicts of interest broadly: actual conflict of interest (the employee faces a real, existing conflict); potential conflict of interest (the employee is in or could be in a situation that may result in a conflict); and perceived conflict of interest (the employee is in or could be in a situation that may appear to be a conflict, even if this is not the case).

iv. Each situation will be assessed on its own facts to determine if there is a conflict of interest that will give rise to a potential conflict. While it is not possible to list all situations which would constitute a conflict of interest, some instances are listed in **Appendix A** for employees' guidance. Employees should consult the Compliance Manager or the Company's legal counsel or attorney if in doubt about what circumstances might create a conflict of interest.

4. Disclosure or Declaration of Conflict of Interest - Principles and Rules

i. The Company understands that avoiding a conflict of interest may not always be possible or practical. The required action for an employee who does not or who cannot avoid a conflict of interest is to disclose/declare it to the local Chairman/President/President Director/General Director/CEO or such other person as may be authorised in accordance with the Company's delegation of authority (each such person being an "Authorised Person") by sharing the existence, nature, and all relevant facts of a conflict of interest with the Authorised Person. The Authorised Person may delegate the consideration and addressing of such conflict of interest to the Compliance Manager or such other person as he/she deems fit.

ii. Disclosure helps to protect the integrity and reputation of the Company and the employee who is in a conflict of interest situation.

iii. Disclosure must take place as soon as the employee identifies that there may be a conflict of interest and, whenever possible, before the employee engages in the conduct in question.

iv. A discussion with the Authorised Person should be the starting point when it comes to disclosing a conflict of interest. However, the employee must also submit the standard Conflict of Interest Declaration/Disclosure Form (attached as **Appendix B**) to the Authorised Person which will be kept by the [Compliance Manager] [or the Human Resource department]. [If it is kept by the Compliance Manager, a copy of the form should be given to the Human Resource department.]

v. In situations where an employee is not sure what to disclose or whether to disclose a potential conflict of interest situation, they should err on the side of caution and seek advice from the Company's legal counsel or attorney, Compliance Manager or the Compliance Representative.

vi. When circumstances change, existing disclosures may no longer be accurate or complete. When this happens, the employee must freshly disclose the conflict of interest.

vii. Having a conflict of interest is not necessarily wrong. However, it can become a problem or a legal matter if an employee tries to influence the outcome of business dealings for direct or indirect personal benefit. This is why transparency, in the form of disclosure, is critical and helps to protect the integrity and reputation of the Company and the employee.

viii. All submitted Conflict of Interest Declaration/Disclosure Forms, review process and resolution of the conflict of interest must be recorded, updated and filed with the [Compliance Manager] [or the Human Resource department]. [If such records are kept by the Compliance Manager, a copy of such records should be given to the Human Resource department].

5. Joint Ventures and Minority Shareholdings

i. **Joint venture agreement between NSHD or an NSHD group company and joint venture partner(s).** Examples of such joint ventures are: joint venture between NSHD and Caloocan in the Philippines, and joint venture between NSHD and Samator in Indonesia.

A conflict of interest could arise in a joint venture in certain situations, including but not limited to the situation of a senior executive or employee or a board director appointed as set out below, acting for his/her employer or the joint venture partner, or having other interests which may conflict with the interests of the Company.

Such senior executive or employee or board director may be appointed to the Joint Venture Company or NSHD Group Company (directly or indirectly held by NSHD) by:

a) the joint venture partner of NSHD;

b) the joint venture partner of NSHD group company (directly or indirectly held by NSHD); or

c) NSHD's joint venture company;

(the joint venture partner mentioned in a) and b) above shall be referred to as the "joint venture partner").

The following shall be adhered to by such senior executive, employee and board director:

a) Where a joint venture agreement or the applicable employment/service agreement permits the joint venture partner or such senior executive, employee or board director to carry out an activity that would normally be regarded as a conflict of interest, that activity would be permitted in accordance with the terms of the applicable joint venture agreement or the scope of the applicable employment/service agreement. Any question or issue or discussion on the conflict of interest situation of such senior executive or employee or a board director shall be referred to the joint venture partners and NSHD or NSHD group company for resolution or be resolved in accordance with the applicable employment/service agreement, as applicable.

b) Should the senior executive or employee or board member concerned intend to carry out an activity outside the scope of the applicable joint venture agreement or the scope of the applicable employment/service agreement which could be regarded as a conflict of interest, the senior executive or employee or board member is required to submit a Declaration/Disclosure of Interest Form to and obtain the written consent of the board of directors of the Company before proceeding with such activity. When the board of directors grants such consent, it may direct the management (if none of the management members is involved in the conflict of interest situation) or itself direct processes and procedures to be put in place to minimise the effects or impact of the conflict of interest situation to the Company.

c) That senior executive or employee or board director must not allow the relationship with the appointing joint venture partner to act to the detriment of the Company.

d) Such senior executive or employee or board director shall not, without the authority of the Company's board of directors, use in an unauthorised manner or disclose to the joint venture partner who appointed them or make any unauthorised disclosure to any other third party, any confidential information relating to the Company which has been gained as a senior executive or employee or as a board director of the Company, except strictly for matters permitted within the scope of the applicable joint venture agreement or the scope of the applicable employment/service agreement.

ii. **Shareholding in the Company or a subsidiary of the Company by an employee or management member or board member.** Where there is a minority shareholder in the Company or a subsidiary of the Company, a conflict of interest may arise where such minority shareholder is part of the management or is an employee or a board director of the Company or such subsidiary and he/she has interests which may conflict with that of the Company or that of such subsidiary. Such person shall declare his/her actual or potential or perceived conflict of interest in accordance with this Policy and comply with the following:

a) Where the applicable employment/service agreement permits such senior executive, employee or board director to carry out an activity that would normally be regarded as a conflict of interest, which activity would be permitted in accordance with the scope of the applicable employment/service agreement. Any question or issue or discussion on the conflict of interest situation of such senior executive or employee or a board director shall be resolved in accordance with the employment/service agreement, failing which the matter shall be referred to the board of directors of the Company for resolution.

b) Should the senior executive or employee or board member concerned intend to carry out an activity outside the scope of the applicable employment/service agreement which would be regarded as a conflict of interest, the senior executive or employee or board member is required to submit a Declaration/Disclosure of Interest Form to and obtain the written consent of the board of directors of the Company or the Company's management (in the case of a subsidiary's senior executive or employee or board member) before proceeding with such activity. When the board of directors or the Company's management (as applicable) grants such consent, it may direct the management (if none of the management members

is involved in the conflict of interest situation) or itself direct processes and procedures to be put in place to minimise the effects or impact of the conflict of interest situation to the Company or to the subsidiary concerned, as applicable.

c) That senior executive or employee or board director must not act to the detriment of the Company and/or the subsidiary, as applicable.

Such senior executive or employee or board director shall not, without the authority of the Company's board of directors, use in an unauthorised manner or make any unauthorised disclosure to any third party any confidential information relating to the Company or subsidiary (as applicable) which has been gained as a senior executive or employee or as a board director of the Company or of that subsidiary, except strictly for matters permitted within the scope of the applicable employment/service agreement.

6. Addressing Conflicts of Interest – Principles and Rules

i. Disclosure provides transparency to actual, potential, or perceived conflict of interest risks to the Company. It is a necessary part of mitigating these risks, but disclosure alone is not sufficient. This Policy also requires addressing a conflict of interest.

ii. Addressing a conflict of interest is the responsibility of the Authorised Person. Specifically, the Company expects the Authorised Person or the Compliance Manager (if so delegated by the Authorised Person) to:

a) Treat the information disclosed by the employee with appropriate confidentiality and without bias.
b) Fairly evaluate the conflict of interest situation disclosed by the employee, including the risks to the business interests and reputation of the Company.
c) Seek guidance if needed from supporting functions, including Legal, Human Resource, and Compliance.
d) Make a pragmatic decision to address the conflict of interest so that risks to the Company are minimized.
e) Communicate the decision and its reasoning to the employee and follow up to ensure the employee understands and complies with it.
f) Retain documentation of the decision which may be contained in the standard Conflict of Interest Declaration/Disclosure Form or in a separate communication, and provide a copy of it to the Compliance Manager [or the Human Resource department]. [If such record is kept by the Compliance Manager, a copy of the record should be given to the Human Resource department]. A copy of such Conflict of Interest Declaration/Disclosure Form with the decision may be made available to the employee.

iii. Many conflict of interest situations can be addressed in a simple and mutually acceptable manner; pro-active, open dialogue between the Authorised Person (or the Compliance Manager or such other personnel if so delegated by the Authorised Person) and the employee concerned is essential to support this outcome.

iv. "Addressing a conflict of interest" is the process of identifying and implementing strategies and practices to minimize the risks associated with the disclosed conflict of interest. One example: if an employee's spouse is a Senior Executive at a potential

supplier, the Authorised Person may decide the best way to mitigate potential risks to the business interests and reputation of the Company is to exclude the employee from any role where he/she can make decisions about or influence the outcome of that supplier's activities with the Company and require the employee concerned not to influence the decision of employees who are involved in the evaluation or management of the supplier.

7. Implementation

i. Employees must familiarize themselves with this Policy and participate in periodically held training sessions.
ii. It is the responsibility of every head of department to provide guidance to those employees reporting directly or indirectly to him or her.
iii. All employees are responsible for adhering to the principles and rules set out in this Policy.

8. Reporting

(i) Any employee with knowledge or suspicion of violation of this Policy must report his/her concerns to the Compliance Manager or to the President/CEO/President Director/General Director/Chairman or through the whistle-blowing system of the Company.
(ii) All reports will be treated with the strictest confidentiality.
(iii) The Company prohibits retaliation against any employee for making a good faith report of actual or suspected violations of laws, regulations, or this Policy.

9. Compliance

(i) More stringent applicable laws and regulations (if any) supersede the principles and rules set out in this Policy.
(ii) The Compliance Manager will provide training on this Policy and related procedures for employees on a periodical basis.
(iii) The Company takes on a non-leniency approach towards the violation of this Policy. Employees who violate this Policy will be subject to disciplinary action that the Company considers appropriate.
(iv) Any questions or queries relating to this Policy are to be addressed to the Compliance Representative and/or the Compliance Manager.

Version History			
Version	**Initiated by:**	**Change Description**	**Date**
1.0	SEA Compliance Community of Practice	Baseline version	[Compliance Manager to insert date of final version of policy.]

Appendix A

Type of Conflict of Interest	**What must be avoided**
1) Personal financial interests or shareholdings 2) Relationships with business partners and competitors	Employees must not: • Own any interest or shareholding above [5]% (i.e., interest or shareholding must be equal to or lower than [5%]) in any company which competes with or does business with the Company • Conduct company business with any entity in which they have a substantial interest or with which they have a substantial affiliation
3) Outside engagements, including employment	Employees must not have any kind of paid or unpaid engagement with: • A business partner or competitor of the Company • Any other person or company
4) Close Relationship with Employee	Employees must not: • Be involved in any hiring decision (including internal/external hiring and internal transfers) involving any family member or involving closely related persons. "**family members**" include spouse; natural, step or adoptive parent, brother, sister, son, daughter, grandparent, aunt, uncle, niece and nephew; and in-laws. "**closely related persons**" are persons with whom the employee has an intimate or close relationship.
5) Gifts, meals, travel, entertainment	Employees must not directly or indirectly solicit or accept from any business partner or competitor of the Company: • Cash or cash equivalents (e.g., stocks, gift certificates, discounts not based on a collective agreement, etc.) - this includes actual and potential business partners or competitors. • Gifts - if a gift is received nonetheless, it must be returned if it influences or could be perceived as influencing the employee's business judgment. • Meals, travel, or entertainment, unless

	it predominantly meets a business purpose of the Company, is accompanied by a representative of the business providing it, and does not influence (and cannot be perceived as influencing) the employee's business judgment. Please refer to the Company's Gift, Entertainment & Hospitality Policy/Regulation (if any) and/or the Company's or Nippon Sanso Holdings Group's Anti-Corruption Policy for guidance.
6) Fees, commissions, services, other favours	Employees must not: • Solicit or receive a fee, commission, service, or other favour from any actual or potential business partner or competitor of the Company
7) Property transactions.	Employees must not: • Lease, rent, trade, or sell real or personal property to or from the Company.

Appendix B

Conflict of Interest Declaration/Disclosure Form

I have read the Conflict of Interest Policy of [ ] (the "**Company**") and hereby make the following declaration/disclosures:

☐ I have no conflict, whether real, potential or perceived, to declare.

OR

I have the following conflict of interest to declare:

☐ I am a director/substantial shareholder of / have a substantial interest in company(ies) who is/are business partner(s) or competitor(s) of the Company.

☐ I, or person(s) with whom I am affiliated to, am or is affiliated to a vendor, supplier or any party providing or bidding for the provision of services to the Company, or I have business dealings / transactions with such vendor, supplier or party which could result in a benefit to me.

☐ I, or person(s) with whom I am affiliated to, have a direct or indirect interest in a business transaction(s), agreement or investment with the Company.

☐ I, or person(s) with whom I am affiliated to, have an interest in purchasing services/products from the Company.

☐ I am related to or affiliated to a member of the Board / staff of the Company / or a team or project member.

☐ I, or person(s) with whom I am affiliated to, am a party to or has an interest in any pending legal proceedings involving the Company.

☐ Others _____

"affiliated" refers to the following: family member, closely related person or close associates; any corporation, business or organisation in which the employee serves as board member or participate in management.

Please elaborate on the conflict of interest arising from the above situation with regard to the transaction concerned (e.g., person or organisation affiliated to, nature of service/transaction, if an affiliated person is involved, the identity of such affiliated person and the relationship with that person):

_____

_____

_____

☐ I hereby confirm that the disclosure made above is complete and correct to the best of my information and belief. I shall not be participating in the discussion and decision making on this matter. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with the Conflict of Interest Policy, I will notify the Company immediately.

☐I hereby agree, consent and authorise the Company to disclose this form to and to disclose any information in this form or information related to the matter(s) in this form with NSHD and NSHS for assessment and evaluation purposes and hereby consent to the transfer of such information overseas to NSHD and NSHS.

Signature: _____

Name: _____

Designation: _____

Date: _____

Outcome of addressing the conflict of interest disclosed/declared:

Signature: _____

Name: _____

Authorised Person/Compliance Manager/other personnel (if so delegated)

Designation: _____

Date: _____