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Conflict of Interest

Objective

The objectives of this policy are to highlight relevant principles on the mitigation of conflicts of interest and to describe expectations on the implementation of conflict of interest mitigating controls. This Policy applies to all Employees (including contractors and authorized agents).

Definition

Business or personal situations may arise that could constitute a conflict of interest, and such conflicts may potentially damage the interests of a Customer or The Bank. Conflicts arise when the interests of an Employee conflict with the interests of the Bank, a Customer of The Bank or a third party.

Managing Conflicts of Interest

Regulators expect banks to avoid conflicts and manage them fairly, ensuring customers trust the bank's actions. Banks must identify and manage conflicts in line with their Code of Conduct, demonstrating effective systems and controls to protect customers and the bank's reputation. If conflicts cannot be avoided, they must be disclosed to clients. Employees should be vigilant about potential conflicts of interest and avoid compromising their judgment and integrity. They should recognize potential conflicts and inform their line manager and Compliance if they become aware of any suspicions. Compliance with Legal and People & Culture will assess a conflict's management, including ceasing activity, obtaining consents, and implementing Chinese wall procedures, if necessary.

Employees should avoid conflicts of interest, especially in situations that pose higher reputational risk, as highlighted in sub-sections.

- The Bank's Anti-Bribery and Corruption Policy mandates employees not to solicit cash or cash equivalents, accept gifts over a certain threshold, or accept meal or travel invitations unless there is a banking-relationship purpose.
- Employees are prohibited from working with any other party that negatively or adversely affects their performance during their Bank-employed activities.
- Employees must not be in a managerial or subordinate relationship with closely related persons
- Employees must disclose all outside businesses or interests, including being a Director or Company Secretary in another entity, holding over 1% ownership in a listed company, or owning a private company.

Disclosure of Conflict of Interest

Employees must disclose potential conflicts of interest during onboarding and after, with each disclosure reviewed and assessed to mitigate risks and prevent potential issues. The Bank acknowledges that some conflicts of interest may not be avoidable, but they can be accepted as long as they are properly managed. The following steps should be adhered to for the adequate management of conflicts of interest risk:

- Employees must inform their Line Manager of any conflict or perceived conflict within a reasonable timeframe, considering the potential severity of the risk, and in writing.
- Once submitted, the Line Manager shall forward the disclosed conflict of interest to Compliance, Legal and People and Culture, without delay
- The disclosed conflict of interest will be evaluated jointly by Compliance, Legal, and Human Resources, prioritizing risk analysis and employee impact.
- The declaring Employee will be informed of the outcome of the decision regarding the declared conflict of interest by their Line Manager.
- Copies of the declaration and outcome shall be saved by People & Culture in the Employee's staff file

It is important to note that all disclosure information and the disclosure process in general shall be treated in confidence and without any bias towards the disclosing Employee.