



ANGLO PACIFIC GROUP PLC

(THE "COMPANY")

CONFLICTS OF INTEREST POLICY

1. Introduction

- 1.1. This policy applies to all directors, officers and employees (our "Workers") of the Company and its subsidiary undertakings ("Group") and sets out the Group's policy on conflicts of interest. References in this policy to the Company should therefore always be read as including a reference to other member(s) of the Group.

Our Workers have a duty to avoid actual or perceived conflicts of interest involving themselves, close relatives or associates.

- 1.2. The policy does not form part of any employee's contract of employment and any changes to the policy will not give grounds for any claim for breach of contract. Workers are reminded of their specific duties in this regard under their contracts of employment or letters of appointment.
- 1.3. This policy should be read in conjunction with our Travel and Expenses, Whistleblowing and Anti-Corruption, Money Laundering and Bribery policies and in conjunction with Article 96 of the Company's Articles of Association. In addition, directors must be aware of their statutory duties under the Companies Act 2006.

2. What is a conflict of interest?

- 2.1. A conflict of interest exists when your personal or professional interests or activities affect your ability to make clear, objective decisions for the Company. Generally, a conflict of interest may occur if an interest or activity influences, or appears to influence, the ability of an individual to exercise objectivity or impairs the individual's ability to perform his or her duties to the Company. A useful test is to regard an "interest" as a very broad term that includes anything or any connection that could potentially divert your mind from giving sole consideration to promoting the success of the Company.
- 2.2. Actual conflicts of interest must be avoided, but even the perception of a conflict of interest can be damaging to the Company and must be disclosed and discussed as early as possible.
- 2.3. References to "**conflicts**" or "**conflicts of interest**" in this policy should be read to include situations that give rise to, or could reasonably be regarded as likely to give rise to, a conflict of interest. It is important to remember that the question of whether

a conflict could be said to exist will be judged objectively – would a “reasonable person” consider there to be a conflict on the relevant facts.

2.4. Conflicts can be both direct and indirect, for example through a Connected Person. For the purposes of this policy, a “**Connected Person**” in relation to a Worker means:

- a) the immediate family members of a Worker, i.e. his or her spouse, civil partner, person with whom the Worker lives with in an enduring family relationship (and their children who are under 18 years), parents, siblings, children and step-children (of any age) and any other relative who resides in the same household;
- b) companies in which the Worker has more than a 20% equity interest; and
- c) any trustee of a trust in which the Worker or their Connected Persons are beneficiaries.

2.5. Workers should bring this policy to the attention of their Connected Persons.

2.6. There are many ways that conflicts of interest could arise. Some examples include, if you:

- a) are a board member of another organisation outside work;
- b) have a material interest in a private company which is related to your work;
- c) have another job outside of the Company;
- d) have a relationship with another employee at work who can influence your salary, rating or promotion;
- e) have a relationship with a representative of a business partner or competitor of the Company.

2.7. Conflicts are generally categorised as either situational or transactional.

- **Situational conflicts** arise where a Worker or his/her Connected Person, is in a position where their direct or indirect interests conflict, or could conflict, with that of the Company e.g. a Worker or his/her Connected Person becomes a director of a competing company.

Workers are required to avoid all situational conflicts unless these have been declared to, and authorised by, the Board or the Chief Executive Officer (see section on “Disclosure”). The duty to avoid situational conflicts applies, in particular, to the exploitation of any property, information or opportunity and it is immaterial whether the Company could take advantage of the property, information or opportunity.

- **Transactional conflicts** arise where a Worker has an interest in a transaction or arrangement to be entered into by the Company e.g. a Worker (or someone they are connected to) is a counterparty to that transaction.

Workers are required to declare transactional conflicts. They do not only arise in relation to legally binding transactions since the term “arrangement” can cover non-binding arrangements. The Associate must declare their interest before the Company enters into the proposed transaction or arrangement.

3. Expectations of Workers

3.1. We expect all our Workers to:

- a) ensure that personal interests do not compromise, nor appear to compromise, their obligations or duties to the Company or their ability to make objective and responsible decisions on behalf of the Company; and
- b) avoid an unauthorised situational conflict, and while we provide guidance in this policy, each Worker must ultimately make that assessment themselves.

3.2. This policy provides guidance on how to avoid or handle such conflicts.

3.3. The duties contained in this policy are the personal responsibility of each Worker and not the Company. Only you will ultimately be aware of any actual or potential conflicts. You should ensure that you keep these duties under review and make any relevant disclosures on an ongoing basis.

3.4. Infractions of this policy are likely to result in disciplinary action, up to and including, termination of employment or office.

4. Disclosure

4.1. Workers must notify the Company, in writing, of a conflict or potential conflict of interest as soon as possible and must, as part of such disclosure, declare the full nature and extent of the situation. Specifically:

4.2. Directors must disclose all conflicts of interest to the Board, with directors providing notification of the conflict of interest to the Chairman; and the Chairman providing notification of the conflict of interest to the Chief Executive Officer. Where it is felt that the situation could reasonably be regarded as likely to give rise to a conflict of interest, it must be authorised by the Board. Directors should be alert to other potential conflicts and ensure that their disclosures are kept up-to-date. Directors are required to notify the Company immediately of any change in an authorised conflict of interest or potential conflict of interest.

- 4.3. New Directors are required to disclose all conflicts of interest to the Chairman or Chief Executive Officer, as appropriate, at or before commencement of employment or entry into office.
- 4.4. Employees, who are not directors, must disclose a conflict of interest to the Chief Executive Officer, who is authorised to approve or deny the request. Should an employee feel that an approval has been denied unfairly, he/she may appeal to the Chairman, whose decision on approval/denial shall be final.
- 4.5. All disclosures, approvals and rejections shall be documented in writing and a copy must be sent to the Company Secretary or the General Counsel. E-mail correspondence shall be sufficient for this purpose.

5. Management of conflicts of interest

- 5.1. Workers involved in a conflict situation must work cooperatively with the Company to achieve a resolution of the conflict issue in the best interests of the Company, as requested by the Company.
- 5.2. The Company may authorise a matter on such terms as it may determine, including (but not limited to):
 - a) the exclusion of the Worker from decision making in respect of the situation in question;
 - b) the exclusion of the Worker from all information and discussion by the Company of the situation in question; or
 - c) limitations on future dealings on any relevant financial interest.
- 5.3. The Company Secretary and the General Counsel will be responsible for maintaining a list of disclosed conflicts, which will note any conditions that have been imposed when authorising the conflict of interest. The Directors will be required to review the list of disclosed conflicts on an annual basis.

6. Directors' statutory duties

- 6.1. In addition to their duties above, directors must remain aware of statutory duties in relation to conflicts of interest.

7. Responsibility for the success of this policy

- 7.1. The Company Secretary and the General Counsel have responsibility for reviewing the effectiveness of this policy from time to time.