



Conflict of Interest

Policy 282





Version control

Date	Version	Originator	Comments	Status
Oct 2019	1	Compliance		
Sep 2022	2	Compliance		

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1. Introduction

1.1. Key Principles

We make decisions that are in the best interests of Astron Energy, and we avoid actual, potential, and apparent conflicts of interest (“Conflicts”) where possible.

1.2. Rationale

As stated in our Code of Conduct (the “Code”), a conflict of interest *“is a situation in which an individual has a private interest sufficient to potentially influence the objective exercise of his or her professional duties.”*

Undeclared or mismanaged Conflicts can lead to reputational damage, loss of trust and confidence in our internal controls, loss of our stakeholders’ confidence in the integrity of our decision-making, investigations, fines and penalties and substandard services and products at inflated prices.

1.3. Purpose

Astron Energy’s Conflict of Interest Policy (the “Policy”) contains our requirements on:

- recognising and avoiding Conflicts; and
- declaring Conflicts.

How Conflicts are managed is covered separately in Astron Energy’s Conflict of Interest Management Procedure.

1.4. Scope

This Policy applies to all directors, officers and employees of Astron Energy including individuals employed on a temporary basis such as contractors (referred to collectively as “you” throughout this Policy).

2. Definitions

Close Personal Relations – relationships with people other than Relatives (defined further below) which include:

- unmarried couples
- dating relationships
- live-in relationships
- ex-spouses
- any other kind of person with whom you have a social or business relationship outside of Astron Energy sufficiently close to create in fact or in appearance a biased attitude in favour of the other person.

Compliance – individuals working in the compliance function, including Compliance Coordinators.

Conflict of Interest (“Conflict”) – There are three types of Conflicts (collectively referred to as Conflicts):

- Actual conflict: a real, existing conflict;



- Potential conflict: a situation that may result in a conflict; and
- Apparent conflict: a situation that may appear to be a conflict, even if this is not the case.

Employees – all Astron Energy employees, directors and officers (including contractors) at our marketing offices and industrial operations.

Exposed Persons – Employees who, because of the nature of their job responsibilities, are more susceptible to Conflicts (for a list of Exposed Persons, see Section 3.2.1.1.)

Platform – the platform used to declare and manage Conflict cases electronically.

Relatives – family members such as:

- spouse
- siblings
- parents and stepparents
- children and stepchildren
- stepbrothers and stepsisters
- nephews and nieces
- aunts and uncles
- grandparents and grandchildren
- all other relatives, by blood or by law

Third Parties – parties that have or seek to have a commercial relationship with Astron Energy, including:

- competitors
- customers
- service providers
- suppliers of goods
- consultants
- contractors/sub-contractors

3. Requirements

3.1. Recognising and Avoiding Conflicts?

Even if you believe that you are acting in the best interests of Astron Energy, **the mere appearance of a Conflict** can undermine confidence in both Astron Energy and you as an individual, as well as undermine Astron Energy's internal controls.



Types of Conflicts you should try to avoid:

- Ownership, shareholding¹ and/or a directorship in a Third Party.
- Having a personal or business relationship with a Third Party.
- Acting as a consultant, employee, director, officer or manager for another company or organisation where the outside activity or employment will conflict with the performance of your job at Astron Energy or could affect your objectivity.
- Working with a Relative or Close Personal Relation (e.g., considering a job application from one of your Relatives or Close Personal Relations, or being in a position to influence factors surrounding the application such as direct reporting relationships, remuneration and promotion).
- Offering, providing or accepting gifts or entertainment, to or from a Third Party while you are evaluating whether or not to enter into an agreement or transaction with such Third Party.
- Offering or accepting gift, entertainment, or hosted event of more than a nominal value that would place you or another person in a compromising or embarrassing position, impact your independent judgment and objectivity in any business or commercial context, or adversely affect Astron Energy's reputation or relations with others.
 - Refer to the Astron Energy Gift, Entertainment, and Meeting & Event Hosting Guidelines for limits of nominal value and related approval process.

3.2. Declaring Conflicts

3.2.1. Who must declare?

All directors, officers and employees of Astron Energy including individuals employed on a temporary basis such as contractors, must declare.

3.2.1.1. Additional Declaration Requirements for Exposed Persons

Depending on the nature of your job responsibilities, you may be especially susceptible to the risk of Conflict. Such individuals are referred to as "Exposed Persons" throughout this Policy. Compliance identifies those Employees who are Exposed Persons.

Exposed Persons will be asked, on annual basis, to declare any Conflict. Typically, they include:

- Senior management (e.g.):
 - Local General Manager or equivalent

¹ If the shareholding is in a publicly traded company and if it is less than five percent you do not need to declare it, **unless** there are specific circumstances that create a Conflict, e.g., the company is a small publicly traded company and Astron Energy is the major customer or supplier of that company.



- Country CEO
- Regional Head
- Department Head
- Individuals involved in:
 - procurement and supply chain activities
 - Sales and marketing (Business Consultants, District Sales Managers and their Supervisors/Managers) community investment projects
 - recruitment
 - promotions, salary/bonus/performance evaluations
 - payments to external parties
 - defining technical specifications and participating in technical evaluations
 - requesting and approving work budgets.
- Managers, Supervisors and individuals with approval responsibilities at remote locations such as Logistics terminals.

3.2.2. When to declare?

Astron Energy recognises that it is not always possible to avoid Conflicts. However, in order to properly manage a Conflict, you are required to declare a Conflict as soon as you become aware of it.

3.2.2.1. Unprompted Conflict Declarations

You must declare a Conflict as soon as you become aware of it.

3.2.2.2. Prompted Conflict Declarations

Compliance will inform you if you are an Exposed Person.

If you are an Exposed Person, you are required to declare any Conflict as soon as you become aware of it. Additionally, you are required to complete an annual Conflict of Interest e-Learning as part of the Annual Compliance Training. Upon completion of the e-Learning, you will be required to declare any Conflict.

3.2.3. How to declare a conflict?

3.2.3.1. Electronic Declarations

You must declare any Conflict electronically via the Platform.

3.3. What happens once you declare

Once you have declared a Conflict, it will be managed as described in Astron Energy's Conflict of Interest Management Procedure, under which you may be required to relinquish a position or have your work activities restricted (e.g. preventing you from taking part in decisions, meetings on the conflicting subject matter or receiving certain information).



3.4. Training and Awareness

Training and awareness are essential to ensure you understand the issues surrounding Conflicts and the consequences of not properly declaring them.

You are required to complete the Code of Conduct e-Learning on a yearly basis as part of the Annual Compliance Training. This course includes basic training on Conflicts.

3.4.1. Additional Training Requirements for Exposed Persons

If you are identified as an Exposed Person, you will be required to complete an additional Conflict of Interest e-Learning as part of the Annual Compliance Training.

4. Consequences

Our policies support our Values and Code of Conduct and reflect what is important to us. We take breaches of our policies seriously. Depending on the severity of the breach, consequences may range from a warning to termination of employment.

5. Speaking Openly

We are each responsible for ensuring that we meet our commitments. Astron Energy expects its employees and contractors to speak openly and raise concerns about possible breaches of the Code of Conduct and this policy with their manager, supervisor or via other available reporting channels. Our Raising Concerns platform is available to employees, contractors and external parties. Astron Energy takes concerns seriously and handles them promptly.

Astron Energy has zero tolerance for retaliation against anyone who speaks openly about conduct they believe is unethical, illegal or not in line with our Code of Conduct and policies, even if the concern isn't substantiated, as long as they have not knowingly made a false report.

6. In Practice

Below are some examples which illustrate actual, potential or apparent conflicts. If you have doubts as to whether or not your situation presents a Conflict, contact Compliance.



Type of Conflict	Examples	Declaration Requirements
Personal and Business Relationships	Mark, an Operations Manager at Astron Energy, has a family member holding an administrative function in a government as a result of which he may be able to influence decisions in respect of permits and regulatory approvals that may affect Astron Energy.	Mark must declare the relationship and avoid taking part in any internal or external process to obtain or renew such permits and regulatory approvals, unless permitted to do so.
	Anna, an Astron Energy employee, is involved in the tender/ bidding process of a new contract. A brother-in-law of Anna's owns one of the companies bidding for the contract with Astron Energy. Anna considers accepting the higher bid of her brother-in-law's company compared to two lower/ more beneficial bids from unrelated companies.	Anna must declare the relationship and interest and must not take part in any selection or evaluation activity that involves her brother-in-law's company, unless permitted to do so. If her brother-in-law's company is successfully engaged through an objective, transparent and competitive analysis, any business dealings between Astron Energy and the brother in-law's company should be overseen by an independent staff member/superior of Anna's.

Type of Conflict	Examples	Declaration Requirements
Personal and Business Relationships (cont'd)	David, an Astron Energy Procurement Manager, historically purchased technical machinery from company A, a preferred supplier for Astron Energy. One of David's close relatives started to work for company B who sells the same machinery. David starts purchasing from company B and decreases the orders placed at Company A. There was, however, no cost implication to Astron Energy.	David must declare this relationship and must not take part in any business dealings between Astron Energy and company A or B unless he has permission to do so. For example, David may be permitted to participate in the procurement process if an independent staff member/superior of David's or another employee in the procurement department oversees the purchases. The operation should have sufficient procurement procedures in place e.g., to ensure that the quality of the technical machinery is not compromised by buying from company B rather than company A. The company must be selected based on an objective, transparent and competitive analysis.



Type of Conflict	Examples	Declaration Requirements
	Tomas is a senior technical specialist at Astron Energy, and he is working on defining technical specifications for a special product. Tomas' brother-in-law runs a small company manufacturing those types of products. Tomas discloses his Conflict only when he is involved in conducting the technical evaluation of the bid presented by the company of his brother in-law.	Tomas must promptly declare his relationship. His role in defining the technical specifications makes him an Exposed Person. A potential conflict existed when Tomas started working on developing the technical specifications. Even if at that time Tomas was not sure whether his brother-in-law's company would bid, he should have promptly declared the Conflict, to avoid the possible allegation that specifications were defined in such a way as to favour the brother-in-law's company.
Outside Activities and Employment	Robert, an Astron Energy employee, sells fitness products part-time. He uses Astron Energy IT infrastructure during his working hours to facilitate sales and marketing of the products.	Robert must declare the outside employment. Robert must not use his working hours nor Astron Energy's IT infrastructure for a second, part-time job as this is likely to interfere with his Astron Energy duties.

Type of Conflict	Examples	Declaration Requirements
	Claudia, an Astron Energy employee, accepts a Board Position at a wildlife non-profit organisation.	Claudia must declare this outside activity only if the nature or work of the non-profit organisation means there is a Conflict with Astron Energy's interests.
Working with Relatives / Close Personal Relations	Pedro, an Astron Energy HR Manager would like to hire his son-in-law as a consultant to Astron Energy.	Pedro must declare his conflict of interest and not make the hiring decision. The same hiring procedure applicable to all other candidates should equally apply to Pedro. If an independent committee decides to hire Pedro's son in-law, the designated reviewer/approver of this Conflict should continue to manage the relationship between Pedro and his son-in-law.
	Dmitry, an Astron Energy supervisor, signs off on daily contractor time sheets which includes one of his nephew's time sheets.	Dmitry must declare this relationship. Another independent supervisor/manager should sign off on his nephew's timesheet.



Type of Conflict	Examples	Declaration Requirements
Benefits (e.g., Gifts and Entertainment)	Raoul, an Astron Energy employee, has accepted tickets to sporting events, invitations to ski-weekends and golf trips from a supplier that is seeking to do business with Astron Energy.	Raoul is in breach of this Policy and should have declared the offer of these entertainment activities before accepting them. The timing of these entertainment offers from the potential supplier could influence Raoul's decision.
	Frederic, an Astron Energy employee, is a licensed pilot. During the course of business, Frederic meets Olivier, an employee of an Astron Energy supplier who asks Frederic to take one of his directors on an excursion in his private jet. Olivier will pay Frederic USD 2,000 for the excursion.	Frederic must declare the fact that he has been asked to fly an Astron Energy supplier on his private jet in return for a payment. Frederic must not agree to Olivier's request unless he has received approval to do so.
	Alexey, an employee working in IT procurement, is currently in the process of negotiating a contract for business equipment and is offered an extravagant gift by the supplier of the business equipment.	Alexey must declare the offer of this gift. Alexey must avoid receiving gifts or entertainment which appear to improperly influence his judgment during purchasing/trading decisions.

7. References

- Astron Energy Code of Conduct
- Astron Energy Conflict of Interest Management Procedure
- Gift, Entertainment, and Meeting & Event Hosting Guidelines
- COI Electronic Declaration Platform User Manual
- Gift & Entertainment User Manual