

THYE HUA KWAN MORAL CHARITIES LIMITED



太和观 THK

Conflict of Interest

Policy and Procedures

14 April 2016

1. Purpose

- To set out the conflict of interest policy and administrative procedures for staff and volunteers to undertake and disclose as part of good governance practices.
- To ensure all staff and volunteers serving Thye Hua Kwan Moral Charities (THKMC) will act in the best interest of the Company instead of any vested or personal interest or interest of the third parties.
- To prevent conflict of interest and to safeguard the Company's integrity and accountability.

2. Scope

This policy shall apply to all staff and volunteers serving the Company.

3. Procedures

The Conflict of Interest policy should be read and understood by all staff and volunteers upon the commencement of their employment. Declarations of interests are required to be submitted to the Company upon assuming office or commencement of work. The Company shall be informed of any subsequent changes in personal or professional interests.

As and when an actual conflict occurs with the staff and/or volunteer, one shall make a declaration of his/her interest for that specific instance in writing (Conflict of Interest Declaration Form) and excuse himself/herself from decision making on the matter.

Transactions with parties with whom a conflicting interest exists may be permitted only if all of the following are observed:

- i) The conflicting interest is to be fully disclosed; and
- ii) The person with the conflict of interest is to abstain from the discussion, voting and approval of such a transaction; and
- iii) Competitive bids or comparable valuation are to be obtained; and
- iv) The Audit Committee has determined that the transaction is in the best interest of the Company though there may be a conflict of interest.

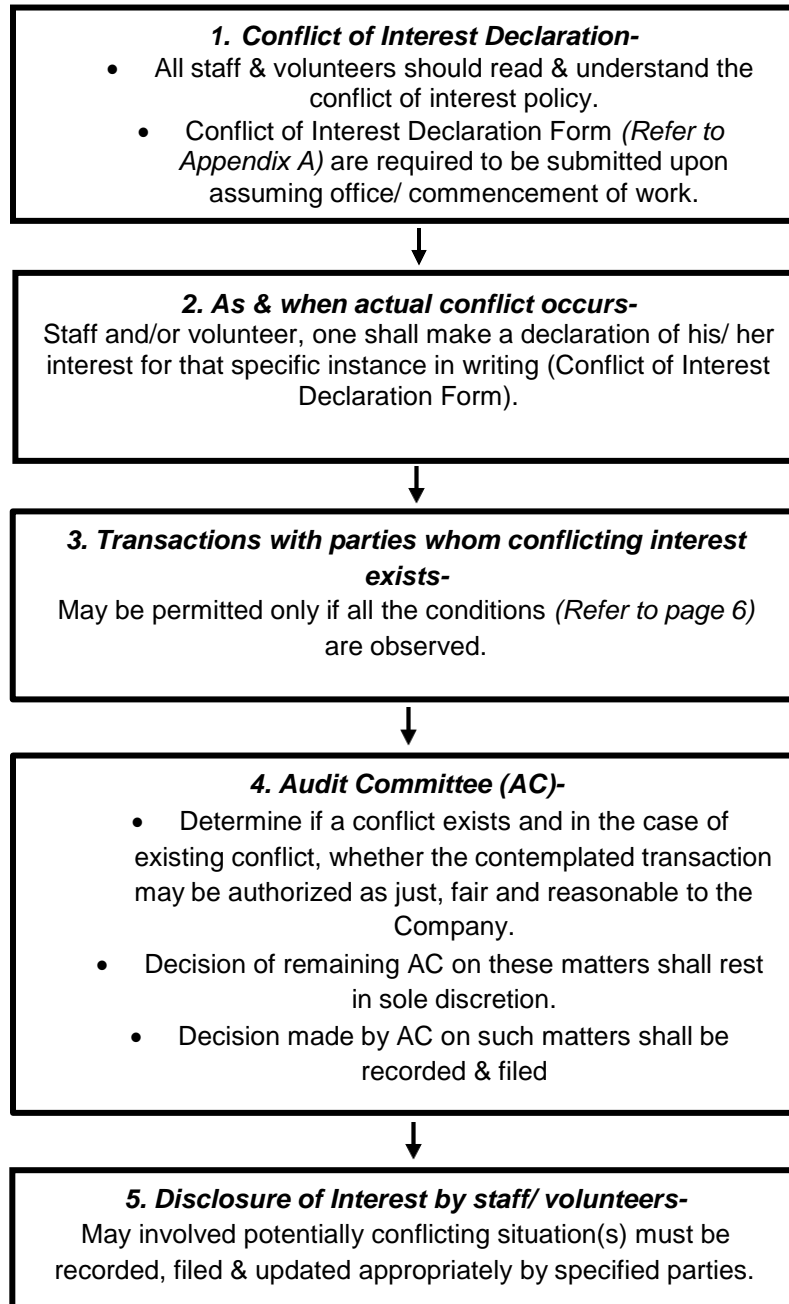
The Audit Committee shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair and reasonable to the Company. The decision of the remaining Audit Committee on these matters shall rest in their sole discretion, and their concern must be the welfare of the Company and the advancement of its purpose.

All decisions made by the Audit Committee on such matters shall be recorded and filed.

Any disclosure of interest made by staff or volunteers where they may be involved in a potentially conflicting situation(s), must be recorded, filed and updated appropriately by all specified parties.

The staff and members of their immediate families may not give or accept from a customer/client, supplier or competitor any gift, payment or other favor without the express written consent of the CEO or relevant approving authority.

4. Conflict of Interest Flow Chart



Important points: Staff and members of their immediate families may not give or accept from a customer/client, supplier or competitor any gift, payment or other favor without the express written consent of the CEO or relevant approving authority