



INTERNATIONAL HOTEL INVESTMENTS P.L.C.

Conflict of Interest Policy

Version 1.0

September 2022

1. Definitions

In this Conflict-of-Interest Policy hereinafter referred to as “this Policy”, some terms shall have the meaning ascribed to them below, unless the context otherwise requires:

- **Audit Committee** means the Audit Committee of the Company;
- **Board:** means the Board of Directors of the Company;
- **Company:** International Hotel Investments p.l.c., a public limited liability company registered under the laws of Malta bearing registration number C 26136 and having its registered office at 22, Europa Centre, Floriana FRN 1400, Malta;
- **Conflict/s of Interest:** A Conflict of Interest occurs when a self-serving interest conflicts with the responsibility to act in the best interests of the Company. Self-serving interests include direct Interests, as well as those of Family, or entities or legal persons which a person may be involved with or have an Interest in. A Conflict of Interest may be actual, potential or perceived and may be financial or non-financial. These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best Interests of the Company;
- **Specific Conflict of Interest Declaration Form:** The Specific Conflict of Interest Declaration Form annexed to this Policy as Annex II;
- **Family:** A spouse, partner, parent, child, sibling, spouse or partner of a child or sibling of, or other individual living in the same household;
- **Interest:** The Interest that any Designated Person or Relevant Person or a member of his or her Family may have in transactions involving the Company or transactions in which the Company has an Interest in, and which may result in a financial or any other gain on the said Designated Person or Relevant Person;
- **General Conflict of Interest Declaration Form:** The General Conflict of Interest Declaration Form annexed to this Policy as Annex I;
- **Designated Person:** Any director, executive, officer or employee with managerial powers or member of a committee with Board delegated powers;
- **Relevant Person:** Any person who does not fall under the definition of “Designated Person” but who has an important power in the decisions of the Company;
- **Shadow Director:** A “shadow director”, is a person in accordance with whose directions or instructions the employees of the Company are accustomed to act or anyone who is directly taking decisions at the Company or in an area within the Company, even if he/she is not officially considered to be a director.

2. Purpose

- 2.1 Point 3, (f) of the Code of Conduct states that personal or political activities as well as Interests that conflict with an individual's role or responsibility at Corinthia Hotels and IHI and its subsidiaries should be avoided. The Colleague Handbook at point 25, as well as the paragraph 1.2 of the Schedule 21 of the Key HR Policies and Procedures, provides that "we are committed to the highest possible standards of openness, honesty and accountability in all our affairs. We take a zero-tolerance approach to bribery, theft, fraud, corruption, and illegal, unethical, or improper behaviour. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, and to implementing and enforcing effective systems to deal with any concerns regarding our business conduct or ethics. A culture of openness and accountability is essential to prevent such situations occurring and to address them as and when these occur".
- 2.2 Although the Conflict-of-Interest Policy details certain behaviours that may lead to a Conflict of Interest or the appearance of a Conflict of Interest, it is impossible to anticipate all situations that could lead to one. The Designated Persons or Relevant Persons may inadvertently find themselves in a situation that leads to, or could be perceived, as a Conflict of Interest. These situations must be disclosed.
- 2.3 Failure to comply with these provisions may result in disciplinary and/or corrective action/s.
- 2.4 The Company's best Interests must at all times prevail over the Interests of Designated Persons or Relevant Persons. In this respect, Designated Persons or Relevant Persons must, inter alia, refrain from influencing the Company's decisions in matters that may give rise to a Conflict of Interest, including refraining from any decision or anything which could give rise to a possible Conflict of Interest.
- 2.5 This Policy sets out the procedure to be followed in case of Conflict of Interest, including the use of the General Conflict of Interest Declaration Form and/or the Specific Conflict of Interest Declaration Form to be submitted to the relevant Human Resources function, in compliance with the disclosure methods defined in this Policy. Where a Conflict of Interest or a potential Conflict of Interest gives rise to a related party transaction as defined in the Terms of Reference of the Audit Committee and the Capital Market Rules in force from time to time, the procedures set out in this Policy shall not apply, and the Conflict of Interest shall be referred immediately to the Audit Committee. As at the date hereof, a related party transaction is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged, and for the purposes of the aforesaid, a related party shall be construed as a person or an entity that is related to the Company. A person or a close member of that person's Family is related to a reporting entity if that person has control, joint control, and/or significant influence over the entity or is a member of its key management personnel and/or an entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the Company, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.

3. Identification of Conflicts of Interest

3.1 The Company acknowledges and respects the fact that its Designated Persons or Relevant Persons have their own individual Interests and have the right to engage in various activities, provided that such activities do not in any possible way lead to a situation that conflicts with the Interests of the Company.

3.2 The Board has identified the following circumstances as those circumstances which may give rise to a Conflict of Interest, whether actual or potential, and which may, therefore, conflict with the Interest, or are otherwise adverse to, or may appear to be adverse to, the Interests of the Company:

- i. When a Designated Person or Relevant Person exploits his/her position, information, or business opportunities acquired in the performance of his functions or as a result of exposure to information obtained in such role for his/her benefit or the benefit of third parties;
- ii. When a Designated Person or Relevant Person establishes or is involved as a director (including Shadow Director) or shareholder of a business that provides services similar to that of the Company;
- iii. When a Designated Person or Relevant Person makes a purchasing or business choice to boost a business that he/she has a stake or Interest in, even if that business is not in competition with the Company's activity;
- iv. When a Designated Person or Relevant Person or his/her Family performs any type of work for suppliers, sub-suppliers and competitors of the Company;
- v. When a Designated Person or Relevant Person takes actions or has Interests that may make it difficult to perform his or her work for the Company objectively and effectively; and
- vi. When a Designated Person or Relevant Person accepts fees or any other forms of compensation, even if in kind, for providing consultations or other services to another person/ business that is in competition with the Company due to the main nature of the business.
- vii. When a Designated Person or a Relevant Person accepts or give preferential treatment to someone with whom he/she is romantically involved or punish someone with whom he/she has been involved romantically.

3.3 The circumstances identified in clause 3.2 above are not exhaustive and may be added to from time to time.

3.4 The sequence in which the circumstances identified in clause 3.2 above are listed is not intended to be indicative of any order of priority or of the extent of their consequences.

3.5 The fact that one is a member of the Board of IHI and/or its subsidiaries and CPHCL and/or its subsidiaries, shall not be considered as a Conflict of Interest in situations.

4. Gifts, Hospitality & Other Benefits

4.1 Accepting a gift, a benefit, or an offer of hospitality for oneself or for a Family member can lead to situations giving rise to real or perceived Conflicts of Interest.

4.2 Designated Persons or Relevant Persons may occasionally accept unsolicited gifts, such as hospitality, free travel, tickets, or invitations to sports or entertainment events or other benefits, provided that, individual gifts valued at over €200 or gifts totalling over €200 in a period of 12 months are reported following the procedure set out in this Policy.

4.3 Notwithstanding the provision of the paragraph 4.2 above, Designated Persons or Relevant Persons must not accept gifts, hospitality, free travel, tickets, or invitations to sports or entertainment events or any other benefits, irrespective of their market value if any of the following conditions are met:

- i. The benefit could influence, or be perceived to influence, their judgement and/or their performance of duties towards the Company;
- ii. The benefit is offered by a partner and/or supplier of goods or services involved in an active request for proposal, sole source contract procedure or contract discussions, or in the six months following such a process, or as soon as they become aware that such a process is to begin;
- iii. The benefit is offered by a business and/or supplier whose performance the Designated Person or Relevant Person is evaluating.

5. Procedures

5.1. Duty to Disclose

5.1.1 A Designated Person or Relevant Person must disclose the existence of the Interest and be given the opportunity to disclose all material facts whenever there is any actual or possible Conflict of Interest.

5.1.2 A Designated Person or Relevant Person is obliged to provide the relevant Human Resources function with a completed and signed General Conflict of Interest Declaration Form or Specific Conflict of Interest Declaration Form, listing the nature of the Conflict of Interest, as well as the types of interests, that could possibly be relevant, such as but not limited to direct and indirect shareholding in other companies, membership of specific entities and Family relationships.

5.2. Determining Whether a Conflict of Interest Exists

- 5.2.1 After approval of this Policy the General Conflict of Interest Declaration Form shall be sent to all potential Designated Persons or Relevant Persons who must declare whether or not they have a Conflict of Interest. They must do so in accordance with paragraphs 5.1.1 and 5.1.2.
- 5.2.2 The General Conflict of Interest Declaration Form must be sent annually to all Designated or Relevant Persons. On the first working day of December each year, each Designated Person or Relevant Person must be notified to complete the mentioned form.
- 5.2.3 The General Conflict of Interest Declaration Form should be completed and signed by all new members immediately after the end of the recruitment process and in the moment of the signature of the agreement. For the purposes of this clause, wherever the Designated Person or Relevant Person is a director, the agreement referred to herein shall be in reference to a contract for service and, or other agreement between the director and the Company, whereas wherever the Designated Person or Relevant Person is any other person, the agreement referred to herein shall be in reference to the contract of employment between the Designated Person or Relevant Person and the Company.
- 5.2.4 If circumstances change and a Designated Person or Relevant Person finds him/herself in a situation of Conflict of Interest, he/she must complete the Specific Conflict of Interest Declaration Form.
- 5.2.5 All completed General Conflict of Interest Declaration Forms or Specific Conflict of Interest Declaration Forms, together with any additional information ancillary thereto, should always be delivered by the Designated Person or Relevant Person to the relevant Human Resources function within 10 working days after receiving the notification or after the signature of the contract.
- 5.2.6 If the Designated Person or Relevant Person is the older Human Resources function, the Finance function, the general manager function or a member of the Company's head office, the General Conflict of Interest Declaration Form or the Specific Conflict of Interest Declaration Form shall be sent to the Compliance Officer within 10 working days after receiving the notification or after the signature of the contract.
- 5.2.7 If, when submitting the General Conflict of Interest Declaration Form or the Specific Conflict of Interest Declaration Form the Designated Person or Relevant Person declares that a Conflict of Interest exists, the Human Resources function is required to forward to the Compliance Officer in 3 working days.



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- 5.2.8 After submitting the General Conflict of Interest Declaration Form or the Specific Conflict of Interest Declaration Form, the Designated Person or Relevant Person may be required to provide clarifications on the information provided in writing.
- 5.2.9 If in a General Conflict of Interest Declaration Form the Designated Person or Relevant Person declares that there is no Conflict of Interest, the forms shall be appropriately filed in the personal file of the individual.

5.3. Role of the Compliance Officer

When the Compliance Officer receives the Specific Conflict of Interest Declaration Form or the General Conflict of Interest Declaration Form, the Compliance Officer is responsible for preparing a recommendation, based on the form and additional information provided. The recommendation must contain:

- whether a Conflict of Interest exists and what it is;
- whether or not the Designated Person or Relevant Person may proceed/not proceed with the transaction, arrangement or activity and if so under what conditions;
- if necessary, a Management Plan setting out how the transaction, arrangement or activity will be carried out.
- if the transaction, arrangement or activity has already taken place, whether or not the Designated Person or Relevant Person should still be involved in the transaction, arrangement or activity and/or if any other remedial action is required.

The Designated Person or Relevant Person shall monitor the situation giving rise to the Conflict of Interest on an ongoing basis, informing the Compliance Officer should there be any change in the circumstances which gave rise to such Conflict of Interest.

5.4. Role of the Audit Committee

The Audit Committee must review the recommendation as proposed by the Compliance Officer and accept, amend or reject this recommendation as its final decision.

If the Audit Committee determines that a Conflict of Interest Management Plan is warranted, the Designated Person or Relevant Person shall follow the Management Plan recommended by the Compliance Officer and approved by the Audit Committee.

If it is found that there is no Conflict of Interest, the Designated Person or Relevant Person should be notified as soon as possible.

5.5. Conflicts of Interest of members of the Board

Designated Person or Relevant Person who has the power of decision regarding the transaction, arrangement or activity giving rise to the Conflict of Interest must also disclose the existence of any potential Interest.

It is acknowledged that Directors may be exposed and susceptible to Conflicts of Interest, and in such case the relevant provisions of the Memorandum and Articles of Association of the Company and Terms of Reference of the Audit Committee shall apply. However, without prejudice to the aforesaid, additional rules and procedures shall also apply. Following the disclosure of the Interest and all material facts at a meeting of the Board, he/she must leave the Board meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board members (the non-conflicted Directors) will decide whether a Conflict of Interest exists. For the purposes of the aforesaid:

- A Designated Person or Relevant Person may make a presentation at the relevant Board meeting, but after the presentation, must leave the meeting during the discussion about the transaction, arrangement or activity involving the possible Conflict of Interest.
- The Board shall, if necessary or appropriate, appoint a committee composed of non-conflicted Directors, to investigate alternatives to the proposed transaction, arrangement, or activity.
- After exercising due diligence, the Board or committee will determine whether the Company can obtain, with reasonable efforts, a more advantageous transaction, arrangement or activity from a person or entity that would not give rise to a Conflict of Interest.
- If a more advantageous transaction, arrangement or activity is not reasonably possible under circumstances that would not give rise to a Conflict of Interest, the Board shall determine, by a majority vote of the non-conflicted directors, whether despite the Conflict of Interests, the transaction, arrangement or activity is in the best interests of the Company, for its own benefit, and fair and reasonable, then make its decision as to whether or not to enter into the transaction, arrangement or activity giving rise to the Conflict of Interest.

5.6. Violations of the Conflicts of Interest Policy

The Audit Committee must review the recommendation as proposed by the Compliance Officer and accept, amend or reject this recommendation as its final decision.

If the Audit Committee determines that a Conflict of Interest Management Plan is warranted, the Designated Person or Relevant Person shall follow the Management Plan recommended by the Compliance Officer and approved by the Audit Committee.

If it is found that there is no Conflict of Interest, the Designated Person or Relevant Person should be notified as soon as possible.

5.7. Conflicts of Interest of members of the Board

A Designated Person or Relevant Person who has the power of decision regarding the transaction, arrangement or activity giving rise to the Conflict of Interest must also disclose the existence of any potential Interest.

It is acknowledged that Directors may be exposed and susceptible to Conflicts of Interest, and in such case the relevant provisions of the Memorandum and Articles of Association of the Company and Terms of Reference of the Audit Committee shall apply. However, without prejudice to the aforesaid, additional rules and procedures shall also apply. Following the disclosure of the Interest and all material facts at a meeting of the Board, he/she must leave the Board meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board members (the non-conflicted Directors) will decide whether a Conflict of Interest exists. For the purposes of the aforesaid:

- A Designated Person or Relevant Person may make a presentation at the relevant Board meeting, but after the presentation, must leave the meeting during the discussion about the transaction, arrangement or activity involving the possible Conflict of Interest.
- The Board shall, if necessary or appropriate, appoint a committee composed of non-conflicted Directors, to investigate alternatives to the proposed transaction, arrangement, or activity.
- After exercising due diligence, the Board or committee will determine whether the Company can obtain, with reasonable efforts, a more advantageous transaction, arrangement or activity from a person or entity that would not give rise to a Conflict of Interest.
- If a more advantageous transaction, arrangement or activity is not reasonably possible under circumstances that would not give rise to a Conflict of Interest, the Board shall determine, by a majority vote of the non-conflicted directors, whether despite the Conflict of Interests, the transaction, arrangement or activity is in the best interests of the Company, for its own benefit, and fair and reasonable, then make its decision as to whether or not to enter into the transaction, arrangement or activity giving rise to the Conflict of Interest.

5.8. Violations of the Conflicts of Interest Policy

If the Audit Committee has cause to believe that a Designated Person or Relevant Person has failed to disclose actual or possible Conflicts of Interest, it shall request the Designated Person or Relevant Person of the basis for such belief and afford the Designated Person to confirm or otherwise the disclosure on file.



If, after hearing the potential Designated Person or Relevant Person's response and after making further investigation as warranted by the circumstances, the Audit Committee determines the Designated Person or Relevant Person has failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and/or corrective action/s

5.9. Retroactive effect of this Policy

If the transaction, arrangement, or activity has already taken place but the Audit Committee later becomes aware of a Conflict of Interest, in addition to the application of disciplinary and/or corrective action/s, the Audit Committee, based on the recommendation of the Compliance Officer, has full discretion to decide on the continued involvement of the Designated Person or Relevant Person in that transaction, arrangement or activity.

If the transaction, arrangement, or activity has already taken place, the Audit Committee based on the recommendation of the Compliance Officer, will decide if the mentioned transaction, arrangement, or activity should be maintained or whether any other remedial action is required.