

CONFLICT OF INTERESTS POLICY

1. Introduction

This Conflict of Interests Policy is binding on all directors and the executive management of Tsogo Sun Limited (Registration Number: 1989/002108/06) (“Tsogo Sun” or “the Company”), and its subsidiaries (collectively, “the Group”).

Directors have a common law duty to avoid any conflict of interest and a statutory duty to act in the best interest of the Company at all times, and are required to disclose any conflict of interest they may have in the manner prescribed in the Companies Act, 2008.

Conflicts of interest may arise where the personal interests comprising financial, economic and/or other interests of a director or member of the executive management, or the interests of a related person / party to the director or member of the executive management, conflict with those of the Company.

Certain conflicts of interest are fundamental and should be avoided. Other conflicts (whether real or perceived) should be disclosed in good time and in full detail by directors to the board and by members of the executive management to the Company Secretary.

The aim of this policy is to protect both the Company and the individuals involved from any appearance of impropriety and to ensure compliance with statutory and best practice requirements. The disclosure requirements which are outlined below should be strictly followed in order to achieve this.

2. Personal Financial Interests

The definition of Personal Financial Interest in terms of the Companies Act, 2008, when used with respect to any person:

- (a) means a direct material interest of that person, of a financial, monetary or economic nature, or to which a monetary value may be attributed; but
- (b) does not include any interest held by a person in a unit trust or collective investment scheme in terms of the Collective Investment Schemes Act, 2002, unless that person has direct control over investment decisions of the fund or investment.

“Material” means significant in the circumstances of a matter, to a degree that is:

- (a) of consequence in determining the matter; or
- (b) might reasonably affect a person’s judgment or decision-making in the matter.

In terms of section 75(5) of the Companies Act, 2008, a director who has a personal financial interest in respect of a matter to be considered at a meeting of the board, or who knows that a related person has a personal financial interest in the matter –

- (a) must disclose the interest and its general nature before the matter is considered at the meeting;
- (b) must disclose to the meeting any material information relating to the matter, and known to the director;
- (c) may disclose any observations or pertinent insights relating to the matter if requested to do so by the other directors;
- (d) if present at the meeting, must leave the meeting immediately after making any disclosure contemplated in paragraph (b) or (c);
- (e) must not take part in the consideration of the matter, except to the extent contemplated in paragraphs (b) and (c);

- (f) while absent from the meeting:
 - (i) is to be regarded as being present at the meeting for the purposes of determining whether sufficient directors are present to constitute a quorum; and
 - (ii) is not to be regarded as being present at the meeting for the purposes of determining whether a resolution has sufficient support to be adopted; and
- (g) must not execute any document on behalf of the company in relation to the matter unless specifically requested or directed to do so by the board.

If a director or member of executive management acquires a personal financial interest in an agreement or other matter in which the Group has a material interest, or knows that any related person/s have acquired a personal financial interest in any such agreement or such other matter after such agreement or such other matter has been approved by the Group, the director or member of executive management concerned, as the case may be, must promptly disclose to the board, or to the Company Secretary for circulation to the board, the nature and extent of such interest, and the material circumstances relating to the acquisition thereof by such director or member of executive management, or such related person/s.

No director or member of executive management shall, without the written consent of the chairperson, engage in, or accept any appointment or election to office in any organisation or association engaged in, or expected to become engaged in, any activity which is, or is likely to be, in conflict with any activity of the Group or engage in any activity or accept any appointment which is an embarrassment to the Group.

3. **Declarations**

Directors and members of executive management may at any time disclose any financial, economic and/or other interests which he/she may have by delivering to the board, or to the Company Secretary for circulation to the board, and tabling at the directors meeting to follow, a notice in writing setting out the nature and extent of such interests, to be used as a general declaration until changed or withdrawn by further written notice from that director or member of executive management.

All directors and members of executive management are required to make an annual general declaration of all financial, economic and/or other interests which he/she may have, which declaration should contain:

- (a) the name, registration number and registered address of any company of which he/she is a director or shareholder and the extent of his/her interest in such company;
- (b) the name, registration number and registered address of any trust of which he/she is a trustee or a beneficiary, where such trust holds shares in any company in the Group, or in any company which transacts with any company in the Group, or where the trust itself transacts with any company in the Group or conducts any business which may conflict with that of the Group; and
- (c) any other interest which he/she deems necessary to declare.

Any change/s that may occur after the submission of these annual general declarations of interests should be disclosed by the director or member of executive management concerned as and when they arise.

The interests declared should include indirect interests, and those held by a related person or associate.

All interests declared will be recorded on the Company's register of interests, which will be maintained by the Company Secretary.

4. Steps to follow in the event of a Conflict of Interest

4.1 Directors

If a director has a conflict of interest for whatever reason, he/she should declare such interest as set out above and follow the guidelines on withdrawing from decisions or any involvement that could affect the relevant area of interest.

If a director fails to declare an interest that is known to the Company Secretary and/or another director of the board, the Company Secretary or such other director has an obligation to declare that interest.

4.2 Executive Management

If a member of the executive management has a conflict of interest for whatever reason, he/she should declare such interest as set out above and withdraw from decisions or any involvement that could affect the relevant area of interest.

If a member of the executive management fails to declare an interest that is known to the Company Secretary and/or a director of the board and/or another member of executive management, the Company Secretary or such director or such other member of executive management has an obligation to declare that interest.

4.3 Managing Contracts

If a director/member of the executive management has an interest in any contract, the director/member of the executive management concerned must not be involved in managing or monitoring such contract.

5. Additional Guidelines

This policy is in addition to, and must be read with, the Board Charter.