

## CONFLICT OF INTEREST POLICY

Effective Date:	May 1 <sup>st</sup> , 2020
Revised Date:	
Last Board Review Date:	May 22, 2020

### Scope

According to the Myanmar Companies Law s.189 - A company must keep a register of each director, alternate director and secretary interests and benefits, and the Interests Register must contain the following particulars:

- Any directors' interests declared under s.172
- Any directors' benefits provided under s.187

Each director, alternate director and secretary, must provide the company with the particulars required to be entered on the register.

MCL 172 - Details the duty of a director's who has a material personal interest in a matter that relates to the affairs of the company to give the other directors of a company notice of that interest.

MCL 187 - Deals with authorization by the board of a company (subject to any restrictions contained in the company's Constitution and any applicable law) of the provision of remuneration or other benefits to a director or related party of the director.

The Directors must ensure that particulars of the payment or benefit or loan or guarantee or contract are disclosed to members at the next Annual General Meeting of the company.

This Conflict of Interest Policy shall be considered primarily to apply to all members of the Board of the Institute (the Directors and the CEO). However, the principles herein shall apply by extension to other employees of MIOD. The CEO shall make similar arrangements to identify and register conflicts of interest of employees and consultants to the Institute.

All potential and actual Conflicts of Interest shall be recorded in the Institute's Conflicts of Interest Register.

## CONFLICT OF INTEREST POLICY OF THE MYANMAR INSTITUTE OF DIRECTORS

### **Conflicts of interest**

Conflict of interest is defined as a situation in which one's personal interests (and those of one's relatives, friends, employer or business partners) may be, or may have the appearance of being, in conflict with the best interests of the Institute. The range of potential conflicts includes, but is not limited to, the following areas:

- Engaging in activities to the detriment of the Institute in order to benefit another related organization or individual;
- Having an interest in or providing consulting services to, an organization that does material business with the Institute, or performs the same services as the Institute;
- Disclosing or using information about the Institute for personal gain or at the expense of the Institute; or
- Having any interest in an entity that has a material contract with the Institute.

In order that actions, decisions and judgments are taken in the best interests of the Institute's business, Directors are expected to have no relationship, activity or personal financial interest that might impair or affect their judgment or influence their decisions in this regard. Sensitive information concerning the Institute's financial matters, plans, changes in products, prospects or business ventures is to be treated as confidential and is not to be disclosed to anyone other than Institute personnel who need to have the information to carry out their responsibilities and to those involved in conducting, assisting, reviewing, auditing or regulating the Institute's business and affairs.

Anyone who is aware of a breach or possible breach of this policy must make full and prompt disclosure to the Chair of the Board of Directors.

### **Disclosure of Possible Conflicts of Interest**

Directors are expected to avoid any action, position or interest that conflicts with an interest of the Institute or gives the appearance of a conflict. There will be varying degrees of interest and affiliation of Directors. Directors should err on the side of caution and ensure they are up-to-date and aware of their potential conflicts and their obligations to disclose them to the Institute.

On becoming a Board Member of the Institute, and on an annual basis thereafter for as long as they remain a member of the Board, the person must disclose any possible conflicts of interest by completing the Annual Declaration of Potential Conflicts of Interest by Members of the Board. This will be held on the Conflicts of Interest Register.

### **Disclosure of Actual Conflicts of Interest**

A Director who has a material personal interest in a matter that relates to the affairs of the Institute must give the other directors notice of such interest. Such notice should be initially provided either verbally or in writing to the Board Chair or Board Secretary, who is to ensure that the notice is brought to the attention of the other Directors.

Directors will also disclose the nature and extent of a conflict or potential conflict to be entered in the minutes of the Board meeting or Committee meeting. Disclosure by a Director shall be made at the first Board or Committee meeting after the Board member is aware of the conflict, or in writing to the Chair copied to the Board Secretary. This will be formally entered into the Conflicts of Interest Register by the Board Secretary within 21 days of giving notice.

## CONFLICT OF INTEREST POLICY OF THE MYANMAR INSTITUTE OF DIRECTORS

### **Specific rules regarding conflict of interest**

A Director shall take no part in discussions nor exercise any influence over other members of the board or participate in voting on matters that relate to any person or institution in which they have an interest or to which they are affiliated, including:

- Institutions on which they serve as Board members;
- Institutions in which they serve as an employee;
- Institutions in which they have a material interest; and
- When they have a material interest in a person who is a party to a material contract with the Institute.

Such individuals shall not participate in voting on matters that relate to his/her spouse, parent or child or the spouse, parent or child of an individual who is a party to a material contract with the Institute.

A Director, with an interest in a supplier, customer or other major stakeholder, may be asked by the Board to refrain from participation in discussions or vote on matters that relate to that interest directly (in the case of a supplier, be that a contract with that supplier or a contract with one of that supplier's competitors).

If a significant conflict of interest with a Director exists and cannot be resolved, the Director is expected to tender their resignation after consultation with the Chair.

### **Authority**

The Board derives its authority to act from governing laws of Myanmar and the Institute's Constitution.