



**PETRONAS**

# **CONFLICTS OF INTEREST POLICY**

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**TABLE OF CONTENTS**

<b>Section</b>	<b>Page</b>
1. Summary Statement .....	3
2. Objectives .....	3
3. Scope .....	3
4. Definitions.....	3
5. Requirements.....	3
5.1 Conflicts of Interest.....	3
5.2 Employee, Contractor, and Consultant Duties .....	5
5.3 Transactions with the Company's Suppliers, Contractors, and Vendors .....	5
5.4 Disclosure.....	5
5.5 Mitigation .....	5

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## 1. Summary Statement

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This Policy sets forth the Company's requirements regarding the management of Conflicts of Interest, consistent with the expectations and plans of the Company, and in consideration of PETRONAS Global's requirements. Conflicts of Interest will be managed in a manner to manage risks to the Company, ensuring compliance with applicable law and the Company's policies, standards, and procedures, and guidelines

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## 2. Objectives

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The objectives of this Policy are to:

- Prevent Conflicts of Interest from damaging the reputation of the Company, its shareholders, or its business interests; and
- Provide guidance to Employees, Contractors, and Consultants to identify and understand their obligations in relation to Conflicts of Interest for their own benefit, in addition to the benefit of the Company and its business partners.

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## 3. Scope

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This Policy applies to Employees, Contractors, and Consultants.

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## 4. Definitions

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Capitalized terms used herein have their meanings set forth in the [Master Glossary](#).

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## 5. Requirements

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### 5.1 Conflicts of Interest

#### 5.1.1 Definition

Conflicts of Interest exist in any situation where:

- private interests or personal considerations of an Employee, Contractor, or Consultant;
- interests of a **private** Business Enterprise in which an Employee, Contractor, or Consultant has a beneficial interest;
- interests of a **public** Business Enterprise in which an Employee, Contractor, or Consultant has a Significant Interest; or
- interests of an Immediate Family Member of an Employee, Contractor, or Consultant;

have influenced, or could influence, the Employee, Contractor, or Consultant and

- impair that individual's ability to act in the best interest of the Company; or
- impede that individual's ability to impartially carry out his or her duties and responsibilities.

### 5.1.2 *Actual vs. Perceived*

Conflicts of Interest may be:

- Actual – where an individual has knowledge of the Conflicts of Interest; or
- Perceived – where an individual is involved in a situation that a reasonable observer would assume is a Conflicts of Interest, whether or not that is accurate.

### 5.1.3 *Examples of Conflicts of Interest*

Examples of Conflicts of Interest may include, but are not limited to, situations in which:

- An Employee, Contractor, or Consultant receives, or seeks to receive, a payment, loan, gift, entertainment activity, or discount of more than a reasonable value which goes beyond common courtesies associated with accepted business practices. For more information, refer to the [Gift and Entertainment Policy](#);
- An Employee, Contractor, or Consultant is responsible for supervising, or has direct or indirect authority over, an Employee, Contractor, or Consultant who is an Immediate Family Member or a person with whom the supervisor is in a personal relationship, and has the ability to influence such an Employee, Contractor, or Consultant's compensation, work assignments, or promotions within the Company;
- An Employee has interests or is engaged in activities which adversely interfere with the time and attention the Employee is expected to devote to the Company in performing his/her employment duties and responsibilities, or compromises the individual's judgment or ability to act in the best interests of the Company;
- An Employee withholds, diverts, or otherwise deprives the Company of a business opportunity for the purpose of personal gain or the gain of others;
- An Employee, Contractor, or Consultant makes use of Confidential Information for personal, commercial, or financial gain;
- An Employee, Contractor, or Consultant acts as Director or Officer, or is involved directly or indirectly in the management or business activities of, any publicly listed Business Enterprise or any other Business Enterprise that competes with the Company, without the written consent of the Company;
- An Employee owns, either directly or indirectly, shares or other forms of beneficial interest in any land, equipment, or **privately** held Business Enterprises which derive any income, receive any payment from contractual or other business arrangements with the Company, or compete directly with PETRONAS Energy Canada; and
- An Employee owns, either directly or indirectly, a Significant Interest in any **publicly** held Business Enterprises which derives any income, receives any payment from contractual or other business arrangements with the Company, or competes directly with the Company.

## 5.2 Employee, Contractor, and Consultant Duties

Employees, Contractors, and Consultants must act in good faith and in the best interests of the Company while he/she carries out his/her duties and responsibilities. Employees, Contractors, and Consultants may not act on behalf of the Company, or deal with the Company, in any matter where there are Conflicts of Interest, whether actual or perceived, or use their position or affiliation with the Company to pursue or advance their private interests or those of a Business Enterprise in which they have Significant Interest.

## 5.3 Transactions with the Company's Suppliers, Contractors, and Vendors

Employees, Contractors, and Consultants may not, directly or indirectly, enter into transactions or dealings for the purchase or sale of any moveable or immovable property, or the supply or purchase of any services from any of the Company's suppliers or vendors (or with their agents or representatives) with whom the person has, or is likely to have, official dealings on behalf of the Company, other than transactions or dealings on such terms as are generally available to other Employees, Contractors, and Consultants.

Refer to the [Contracts and Contracting Policy](#) and the [Supply Chain Management Policy](#) for additional information on transactions.

## 5.4 Disclosure

Employees, Contractors, and Consultants are required to make timely written disclosure of all new and existing Conflicts of Interest, whether actual or perceived, including any existing investment that poses potential Conflicts of Interest as described above, to their manager or Vice President and the Legal department.

Employees who are Directors and/or Officers of the Company must disclose to the Legal department details of any personal investment or other beneficial interest in:

- Any private Business Enterprise; and
- Any public Business Enterprise in which the Director or Officer holds a Significant Interest.

If there is any question as to whether Conflicts of Interest exist in a particular situation, the individual must discuss the matter with his/her Vice President or the Legal department to determine whether Conflicts of Interest do exist and, if so, how they should be resolved. While clarification on the matter is being sought, they must avoid taking part in any activities where Conflicts of Interest exist or could be perceived to exist.

Refer to the [Confidentiality Policy](#) and the [Communications Policy](#) for additional information.

## 5.5 Mitigation

Where Conflicts of Interest are found to exist, the Legal department, with the endorsement of the applicable Vice President, or in the case of an Officer or Director of the Company, the Board of Directors, in consultation with the Employee, Contractor, or Consultant, will determine and document the actions to be taken to mitigate the Conflicts of Interest. Such actions may include, but are not limited to:

- Restricting the involvement of the Employee, Contractor, or Consultant in the decisions relating to the Conflicts of Interest;
- Removing the Employee, Contractor, or Consultant from the duties giving rise to Conflicts of Interest; or

- Relinquishment of the private interest of the Employee, Contractor, or Consultant.

Documentation reflecting the mitigating actions taken, such as board minutes or correspondence to interested parties, should be completed and maintained in accordance with the Company's Information Management Policy.