

Uniphar Group

# Conflict of Interest Policy

# Policy Summary:

**Uniphar Group's Conflict of Interest Policy outlines the Group's commitment to maintaining the highest standards of conduct in all aspects of our activity. The Policy defines the Group's obligation to manage or avoid ethical, legal, financial or other Conflicts of Interest in its activities, ensures employees are able to recognise Conflicts of Interest and sets out principles to prevent or avoid situations of actual, potential or perceived Conflicts of Interest.**

## 1 Introduction

Uniphar plc (the “Company”) and its subsidiaries (together the “Group”) is committed to maintaining the highest standards of conduct in all aspects of our activity. It is the policy of the Group that all persons engaged in Group related activity have the obligation to manage or avoid ethical, legal, financial or other Conflicts of Interest and to ensure that their activities and interest do not conflict with their obligations to the Group or its welfare. The Group recognises that, in general, individuals will recognise Conflicts of Interest and will want to ensure that there can be no perception of their receiving an inappropriate advantage and that they are personally beyond suspicion and do not bring the reputation of the Group into disrepute. It is also current practice for the Group as part of the annual reporting process, to disclose detailed information in relation to the related parties and their relevant Directors.

### 1.1 Purpose

This policy sets out principles to prevent or avoid situations of actual, potential or perceived Conflicts of Interest and how these principles should be implemented. The policy also aims to support all those within the scope of the policy while also recognising the need to protect the Group against Conflicts of Interest that may be damaging to its activities and reputation.

### 1.2 Scope/applicability

This policy applies to all directors, employees and contractors of the Group. The term contractors shall mean all agency or contracted staff as opposed to all contract counterparties of the Group.

### 1.3 Policy review

This policy shall be reviewed, updated and approved by the Board on at least an annual basis, or more frequently, as required by any significant change to the Company, its business activities or to the external environment.

## 2 Objectives of the Policy

The objectives of the Conflict of Interest Policy are to:

- ▶ Ensure that Directors, employees and contractors are aware and understand their responsibilities with regard to identifying and disclosing Conflicts of Interest.
- ▶ Ensure any Conflict of Interest, actual or perceived, are avoided or managed by the relevant authority within the Group.

### 3 Conflicts of Interest for Employees and Contractors

The requirements of the Conflict of Interest Policy in relation to employees are as follows (noting that this policy applies to all employees of the Group):

#### 3.1 Understanding when a Conflict of Interest may arise

- 3.1.1 Conflicts of Interest (Actual, Potential or Perceived)<sup>1</sup> may arise where an employee or contractor puts their own interests before the interest of the Group and such personal interests have an adverse influence on the employee's judgements, decisions and/or actions.
- 3.1.2 Employees should consult their relevant Line Manager/ or relevant department with expertise in the matter, for example, Human Resources when in doubt about what circumstances may cause a Conflict of Interest.
- 3.1.3 Employees should make themselves familiar with this Conflict of Interest Policy upon commencement of employment with the Group.

#### 3.2 Employees should avoid Conflicts of Interest if possible

- 3.2.1 Employees should take all necessary decisions and actions to ensure that a Conflict of Interest does not occur, or will not have the potential to occur at the outset.
- 3.2.2 Employees should not make or take part in any decision if they are subject to a Conflict of Interest, unless express approval for the decision has been given.
- 3.2.3 Where employees have significant financial interests and outside directorships with other companies, these should be disclosed via the disclosure process and assessed by the Management Team.
- 3.2.4 The Group is required to comply with the Regulation of Lobbying Act 2015. Any director or employee involved in lobbying activity must record this activity on the Lobbying Register (which will be maintained by the Company Secretary). The Lobbying Register will cover the following:
  - ▶ Who is lobbying
  - ▶ On whose behalf lobbying is being carried out
  - ▶ The issues involved in the lobbying
  - ▶ The intended result of the lobbying
  - ▶ Who is being lobbied

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<sup>1</sup> Conflicts of Interest are defined as Actual, a real or existing conflict, Potential, a situation in which a conflict may arise, or Perceived, a situation in which a conflict may appear to arise.

- 3.2.5 Employees should not participate in any projects or activities if they will or could be seen to be in conflict with their existing job.
- 3.2.6 Where an employee anticipates that a litigation may arise for any reason in the course of such employee acting as an executor or trustee, they must inform a member of the SMT.
- 3.2.7 Where employees participate in civic and charitable activities such activities must not, as a general rule, be permitted to encroach to an unreasonable degree on the time expected to be given by directors to the affairs of the Group or impair to a significant extent the efficiency of their services to the Group.
- 3.2.8 No employees shall accept a nomination or appointment to any public office without first seeking the approval of the SMT or the Company Secretary.
- 3.2.9 Any employees who, having obtained the approval of the SMT or the Company Secretary, engages directly in any form of political activity or endorses or represents any political candidate or political party or cause shall clearly do so as an individual and not as a representative of the Group, with no actual or implied imputation of such endorsement to the Group itself.
- 3.2.10 Conflicts or potential Conflicts of Interest between the business of the Group and the affairs of the civic or public activity must be declared by the employees through the disclosure process.
- 3.2.11 Employees should not accept external roles or appointments (internal and external) if they will or could be seen to be in conflict with their existing job.

### **3.3 Employees must disclose Conflicts of Interest**

- 3.3.1 Employees must disclose to their Line Manager any Conflicts of Interest as soon as an employee has identified that a potential Conflict of Interest may arise.
- 3.3.2 Disclosures should be made by submitting a Conflict of Interest Declaration Form (Appendix 1) to their relevant Line Manager, copying the relevant member of the Management Team to ensure a record of each disclosure.
- 3.3.3 Where the declaration is made by a Divisional MD or a member of the Executive Leadership Team, a Director form (Appendix 2) must be submitted to their next level manager to ensure a record of each disclosure.
- 3.3.4 All disclosures outlined should be forwarded to the relevant HR Director and member of the Management Team for review and final approval.
- 3.3.5 All disclosures should be provided to the Company Secretary for inclusion on the Group's Register of Interests.
- 3.3.6 In cases where circumstances change, existing Conflicts of Interest may no longer be accurate or exist and an updated disclosure should be made.
- 3.3.7 Annually, employees should review this Conflicts of Interest Policy and declare that they understand and comply with the policy.

### **3.4 All disclosed Conflicts of Interest should be appropriately managed**

3.4.1 Managing a disclosed Conflict of Interest is the process of identifying and implementing actions to mitigate the risks associated with Conflict of Interest.

3.4.2 To manage a disclosed Conflict of Interest the relevant member of the Management Team should:

- ▶ Treat the information disclosed confidentially and without bias;
- ▶ Evaluate the risks arising from the Conflict of Interest;
- ▶ If necessary, ask for guidance from supporting functions (e.g. Human Resources or Company Secretary) of the Group on how the Conflict of Interest should be treated;
- ▶ Based on the evaluation of risks associated with the Conflict of Interest, decide on further actions to be taken by the employee that both mitigates the risks for the Group and protects the interests of the employee;
- ▶ Communicate the decision to the employee and line manager of the employee once it has been made and ensure that the employee fully understands the decision and complies with the decision.
- ▶ This decision should be recorded on the **Conflict of Interest Declaration Form** and signed by the employee and the relevant member of the Management Team and forwarded to the relevant HR Director.
- ▶ The Conflict of Interest Declaration Form will be escalated to the Company Secretary if necessary.
- ▶ The approved declarations remain effective for three years unless there are changes in circumstances. Any amendments must go through the steps outlined above for approval.
- ▶ In the event the member of the Management Team cannot reach an agreement with the employee, the member of the Management Team may escalate this to the Company Secretary when necessary.

3.4.3 When documenting the actions taken to manage or avoid a Conflict of Interest on the Conflict of Interest Declaration Form, the member of the Management Team must:

- ▶ Specify to the respective employee that the conflict of interest will be made known;
- ▶ Specify any activities, including discussions, negotiations and decisions, in which the individual making the disclosure may not participate; and

- ▶ Specify any positions which the individual making the disclosure may not occupy (whether temporarily or permanently).

3.4.4 Contractors must follow the requirements of this policy as they apply to employees. Where a potential Conflict of Interest has been identified by a contractor, they must report this potential conflict to the Group contract manager.

### **3.5 Duty of Secrecy – Use or Disclosure of Confidential Information**

- 3.5.1 Under no circumstances shall any confidential information coming into the possession of an employee by virtue of their position as such be divulged by them to any person, either within or outside the Group, except with the express authority of the Board or when such disclosure is permitted by or made under compulsion of law.
- 3.5.2 No employees shall seek to derive any personal advantage from confidential information relating to the Group or to any of its customers and obtained by virtue of their position with the Group.

## 4 Conflicts of Interest for Directors

The requirements of the Conflicts of Interest Policy in relation to directors are as follows:

### 4.1 Outside Business Interests

- 4.1.1 A director being considered for appointment who has a significant financial interest in a business outside the Group shall inform the Group, through the Company Secretary, of the existence of such interest, and a director who intends to invest in such a business, following their appointment to the Board, must obtain the prior approval of the Chair before doing so.
- 4.1.2 A director shall not engage in, or continue, any personal activity or relationship, whether within or outside the Group, which is, or might reasonably be perceived to be, in conflict, with the interest of the Group. Any such activities that have not ceased should be brought to the Board for formal review and approval as part of the exceptions process noted below.
- 4.1.3 A director shall not acquire or retain any significant financial interest outside the Group which is, or might reasonably be construed to be in conflict, directly or indirectly, with the interest of the Group. Any such financial interests that are not being disposed of should be brought to the Board for formal review and approval as part of the exceptions process noted below.
- 4.1.4 Where it is construed that a conflict may exist, the director shall bring the matter to the attention of the Chair so that they can decide on the issue. Subject only to the exceptions set out in the Articles of Association of the Company (the relevant extract from the Articles of Association is set out at Appendix 4), the director with either the actual or perceived conflict of interest shall absent himself or herself from discussions and/or decision making of the Board or in committee. The Company Secretary shall minute their absence and the circumstances in which it arose.
- 4.1.5 Subject only to the exceptions set out in the Articles of Association of the Company, a director shall not vote for or against any transaction between the Group and their own principal business, or a business in which they, or a member of their immediate family, has a significant financial interest and, unless otherwise directed by the Chair, shall absent himself or herself from discussions of the transaction at the Board or in committee. The Company Secretary shall minute their absence and the circumstances in which it arose.

### 4.2 Outside Directorships

- 4.2.1 Where incoming or existing directors retain or accept new appointments with other companies including related companies (for example the individual is also a director of Uniphar trading companies or a separate pharmacy), this should be fully disclosed to the Company Secretary and the Chairman for approval to



ensure that any conflicts of interests are identified in a timely manner.

- 4.2.2 Directors will ensure that they have sufficient time available to devote to their role and responsibilities to the Group.
- 4.2.3 Before accepting any outside directorship (i.e. of an entity which is not part of the Group), a director must engage with and seek approval of the Chair and the Company Secretary.
- 4.2.4 In considering assuming or continuing with any directorship, the director should take into account the following:
- ▶ No director, once appointed, shall accept a directorship of any entity which is a direct competitor of the Group; and
  - ▶ No director may accept or hold a directorship of any other entity if it would lead to a conflict of interest (actual or perceived) or would be likely to result in embarrassment to the Group, damage to the Group's integrity or reputation or that of the Board or its members.
- 4.2.5 A director who serves as a director of an outside entity shall not vote to approve or disapprove any transaction or course of dealing between the Group and such outside entity and, unless otherwise requested by the Chair, shall absent himself or herself from discussion of the transaction at the Board or in committee. The Company Secretary shall minute their absence and the circumstances in which it arose.
- 4.2.6 Where a member of a director's family, or their business or professional partner, act as a director of a direct competitor, the existence of such directorships must be made known to the Group through the Company Secretary, who will record the provision of such information. The Company Secretary and the Chairman will determine whether this is a conflict of interest.

### **4.3 Loans to Directors and Connected Persons**

- 4.3.1 The Companies Act 2014 prohibits companies from making loans (excluding loans amounting to less than 10% of its net assets) to directors.
- 4.3.2 A director shall not seek on their own behalf, or on behalf of any connected person (e.g. the directors spouse, child, parent, brother, sister, partner), or any business in which a director has an interest, a loan from the Group on preferential terms, where one or more of the terms of the facility were deemed to be more favourable than would be ordinarily offered to a person in the market place.

### **4.4 Financial Interest of Directors**

- 4.4.1 If a director considers that the state of their personal or business finances is likely to lead to action against them or their business, whether through litigation or by the appointment of a receiver, liquidator or examiner over such business, they must forewarn the Chair of such eventuality.

## **4.5 Lobbying**

- 4.5.1 The Group is required to comply with the Regulation of Lobbying Act 2015. Any director or employee involved in lobbying activity must record this activity on the Lobbying Register (which will be maintained by the Company Secretary). The Lobbying Register will cover the following:
- ▶ Who is lobbying
  - ▶ On whose behalf lobbying is being carried out
  - ▶ The issues involved in the lobbying
  - ▶ The intended result of the lobbying
  - ▶ Who is being lobbied

## **4.6 Directors acting as Executor/ Trustee**

- 4.6.1 Should a director anticipate that a litigation may arise for any reason in the course of such executorship or trusteeship, they must inform the Group, through the Company Secretary, of the circumstances so that the position as it affects or may affect the director or the Group may be considered.
- 4.6.2 Conflicts or potential conflicts of interest between the business of the Group and the affairs of the executorship or trusteeship must be declared by the director to the Chair. The director will accordingly absent himself or herself from consideration/discussion where any such conflict or potential conflict arises. The Company Secretary shall minute their absence and the circumstances in which it arose.

## **4.7 Civic and Political Activity**

- 4.7.1 Where directors participate in civic and charitable activities such activities must not, as a general rule, be permitted to encroach to an unreasonable degree on the time expected to be given by directors to the affairs of the Group or impair to a significant extent the efficiency of their services to the Group.
- 4.7.2 Where an involvement in any such activity is considered from the outset to be likely to result in the loss, for a significant length of time, of the services of a director or where, although not so considered at the outset, it is actually found to so result, such director should seek the written approval of the Chair before accepting or continuing, as the case may be, such involvement.
- 4.7.3 Where a director participates in political activities, these shall not be such as to be likely to result in embarrassment to the Group or its Board or to impair, to any significant extent, the performance of a director's duties to the Group.
- 4.7.4 No director shall accept a nomination or appointment to any public office without first seeking the approval of the Chair or, where appropriate, the Board.
- 4.7.5 Any director who, having obtained the approval of the Chair, engages directly in any form of political activity or endorses or

represents any political candidate or political party or cause shall clearly do so as an individual and not as a representative of the Group, with no actual or implied imputation of such endorsement to the Group itself.

- 4.7.6 Conflicts or potential conflicts of interest between the business of the Group and the affairs of the civic or public activity must be declared by the director to the Chair. The director will accordingly absent himself or herself from consideration/discussion where any such conflict or potential conflict arises.

#### **4.8 Duty of Secrecy – Use or Disclosure of Confidential Information**

- 4.8.1 Under no circumstances shall any confidential information coming into the possession of a director by virtue of their position as such be divulged by them to any person, either within or outside the Group, except with the express authority of the Board or when such disclosure is permitted by or made under compulsion of law.
- 4.8.2 No director shall seek to derive any personal advantage from confidential information relating to the Group or to any of its customers and obtained by virtue of their position with the Group.

#### **4.9 General Obligations of Disclosure and Probity**

- 4.9.1 Directors must disclose the existence of any interest at their earliest opportunity to the Company Secretary or in the event of a conflict arising during the course of a Board meeting the director must notify the Chair that a potential conflict of interest exists. The Company Secretary shall record and maintain all disclosed interest on the Group's Register of Interests. The register will be accessible by the Chair and the Company Secretary.
- 4.9.2 A declaration of interests form should be completed on appointment and updated each year, or when any changes occur, using the template form in Appendix 2. Annually, the most recent declaration and Register of Interest will be provided to each director and the Company Secretary will seek confirmation of any changes that may have occurred in the past 12 months.
- 4.9.3 If a director is not sure what to declare, or whether the declaration should be updated, they should seek guidance from the Company Secretary.
- 4.9.4 A director, in performing their role, must display at least the standards of fitness and probity and, at all times, comply with all obligations imposed on them by law and regulatory requirement and must facilitate the Group in the Group's compliance with its obligations.

## 5 Enforcement

- ▶ Failure to seek approval for and/ or disclose complete and accurate information on conflict of interests, or to appropriately manage a conflict of interest as agreed may constitute misconduct and result in disciplinary action being taken by the Group.
- ▶ Any director or employee who becomes aware of a breach of the Conflicts of Interest Policy must report their suspicion to the Chair of the Board, the Company Secretary or their relevant line manager or via the Whistleblowing route as set out in the Whistleblowing Policy.

## Appendix 1: Declaration of Interests Form for employees

Date:

Name of employee:

Job Title:

Department:

### Description of the conflict of interest

I hereby certify that the information disclosed is true and complete to the best of my knowledge.

*Employee Signature:*

### Agreed actions to manage the conflict:

*Management Signature & Date:*

*Employee Signature:*

## Appendix 2: Declaration of Interests Form for Directors, Board of Management and Divisional MDs

Name of Director/member of Management or MD:

I confirm that:

- ▶ I have received and read a copy of the conflicts of interest policy; and
- ▶ I understand and agree to comply with its requirements.

### Director's employment outside of the Group (if applicable)

### Name of Director's employment interest

**Other interest or involvement of the Director or connected persons, including business interests, directorships, shareholdings, elected office, trusteeship, other public appointments, which may be relevant to the Group of the Director or members of their household.**

I have no personal or financial interest to declare ( ) *(tick if applicable)*

*Signed*

*Date*

### Appendix 3: Group Register of Interests

As at: [Insert Date]

Director/Staff Member	Interest	Does the interest relate to the Director/Staff Member or a person connected to the Director/Staff Member?	Is the interest current?

## Appendix 4: Articles of Association Extract

### 91. Directors' Interests

- a. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - i. may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company thereof or in which the Company or any subsidiary or associated company thereof is otherwise interested;
  - ii. may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company or any subsidiary or associated company thereof is otherwise interested; and
  - iii. shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- b. For the purposes of this Article:-
  - i. a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a
  - ii. specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
  - iii. an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

### 92. Restriction on Directors' Voting.

- a. Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Directors or a committee of Directors on any resolution concerning a matter in which he has (to his knowledge), directly or indirectly, an interest which is material or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.
- b. A Director shall be entitled (in the absence of some other material interest than is indicated below) to vote (and be counted in the quorum) in respect of any resolutions concerning any of the following matters, namely:-
  - i. the giving of any security, guarantee or indemnity to him in respect of money lent by him to the Company or any of its subsidiary or associated companies or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiary or associated companies;



- ii. the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary or associated companies for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - iii. any proposal concerning any offer of shares or debentures or other securities of or by the Company or of any of its subsidiary or associated companies for subscription, purchase or exchange in which offer he is entitled to participate as a holder of securities or is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - iv. any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the Holder of or beneficially interested in 1% or more of the issued shares of any class of such company or of the voting rights available to members of such company (or of a third company through which his interest is derived) (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances); or
  - v. any proposal concerning the adoption, modification or operation of a superannuation fund or retirement
    - vi. benefits scheme under which he may benefit in a manner similar to the benefits awarded to other employees to whom the scheme relates and which has been approved by or is subject to and conditional upon approval for taxation purposes by the appropriate Revenue authorities; or
    - vii. any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including the Directors; or
    - viii. any proposal concerning the adoption, modification or operation of any scheme for enabling employees (including full time executive Directors) of the Company and/or any subsidiary thereof to acquire shares in the Company or any arrangement for the benefit of employees of the Company or any of its subsidiaries under which the Director benefits or may benefit.
- c. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under sub-paragraph 86.(b)(iv) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- d. If a question arises at a meeting of Directors or of a committee of Directors as to the materiality of a Director's interest or as to the right of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question may be referred, before the conclusion of the meeting, to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.
- e. For the purposes of this Article, an interest of a person who is the spouse or a minor child of a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director.
- f. The Company by ordinary resolution may suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.
- g. Nothing in Section 228(1)(e) of the Act shall restrict a Director from entering into any commitment which has been approved by the Directors. It shall be the duty of each Director to obtain prior approval of the board of Directors before entering into any commitment permitted by Section 228 of the Act.

## Glossary

**Perceived conflict of interest**

A perceived conflict of interest is one which a reasonable person would consider likely to compromise objectivity.

**Potential conflict of interest**

A potential conflict of interest is a situation which could develop into an actual or perceived conflict of interest.



<b>Title</b>	Uniphar Group Conflict of Interest Policy
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<b>Sponsor</b>	Board of Management
<b>Content Owner</b>	Company Secretary / Chief People Officer
<b>Author(s)</b>	Company Secretary
<b>Applies to</b>	Uniphar Group Employees, Contractors & Directors