



## **ACI Formulations Limited**

### **BOARD OF DIRECTORS' (CHAIRMAN, MEMBERS OF THE BOARD AND MANAGING DIRECTOR) CODE OF CONDUCT AND POLICY ON CONFLICTS OF INTEREST**

#### **SECTION 1 GENERAL**

1. Application. This Directors' Code of Conduct, Policy on Conflicts of Interest and Confidentiality (the "Code") has been approved by the board of directors (the "Board") of ACI Formulations Limited (the Company). The Code is intended to govern the conduct of Directors of the Company. It also sets out guidelines for avoiding and disclosing conflicts of interest. The Code is applicable to all subsidiary companies of ACI FL also.

#### **SECTION 2 DUTIES AND RESPONSIBILITIES OF INDIVIDUAL DIRECTORS**

- 2.01 Responsibilities. Each Director is expected to become an active participant in a board that functions effectively as a whole. A Director is responsible to:
  - (a) Be informed of the Memorandum and Articles of Association of the Company, its mission, vision, values, codes of conduct and policies as they pertain to the duties of Director;
  - (b) Keep generally informed about the business activities of the Company and the general trends of business in the sectors in which operates.
  - (c) Attend Board meetings regularly, serve on committees of the Board and contribute from personal, professional and life experience to the deliberations of the Board;
  - (d) Exercise, in the performance of their duties, the degree of care, diligence and skill required of a Director pursuant to the laws under which the Company is incorporated;
  - (e) Be independent in thinking and in giving advice, and impartial in expressing views on any issue.
  - (f) Not be influenced by self-interest, outside pressure, expectation of reward or fear of criticism;
  - (g) Act with honesty and integrity and conduct himself in a manner consistent with the nature and the responsibilities and the maintenance of public confidence in the conduct of the Board's business;

- (h) Offer his personal perspectives and opinions on issues that are the subject of Board discussion and decision;
- (i) Voice, clearly and explicitly, at the time a decision is being taken, any opposition to a decision being considered by the Board;
- (j) Maintain solidarity with fellow Directors in support of a decision that has been made in good faith in a legally constituted meeting, by Directors in reasonably full possession of the facts;
- (k) Ask the fellow Directors to review a decision, if he has reasonable grounds to believe that the Board has acted without full information or in a manner inconsistent with its fiduciary obligations;
- (l) Work with the staff of the company on committees or task forces of the Board;
- (m) Know and respect the distinction in the roles of Board and staff consistent with the principles underlying these governance policies;
- (n) Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the Corporation's Articles and policies, and in particular with this Code; and
- (o) Comply with all other codes and policies approved by the Board from time to time.

2.02 Conduct of Directors. A Director will at all times conduct himself in a manner that:

- (a) Supports the objectives of the Company;
- (b) Serves the overall best interests of the Company;
- (c) Subordinates his personal interests, and those of any particular constituency, to the best interests of the Company;
- (d) Brings credibility and goodwill to the Company;
- (e) Respects principles of fair play and due process;
- (f) Demonstrates respect for individuals and human rights;
- (g) Respects and gives fair consideration to diverse and opposing viewpoints;
- (h) Demonstrates due diligence and dedication in preparation for, and attendance at, meetings, special events and in all other activities on behalf of the Company;
- (i) Demonstrates good faith, prudent judgement, honesty, transparency and openness in his activities on behalf of the Company;

(j) Ensures that the financial affairs of the Company are conducted in a responsible and transparent manner with due regard for his fiduciary responsibilities and public trusteeship;

(k) Avoids real or perceived conflicts of interest;

(l) Conforms with the policies approved by the Board, in particular this Code.

### **SECTION 3 CONFLICT OF INTEREST GUIDELINES**

3.01 Integrity. These Conflict of Interest Guidelines are intended to ensure the highest standards and maintenance of the integrity of the Board. Directors shall act at all times in the best interests of the Company rather than in the interests of particular constituencies. This means putting the interests of the Company ahead of any personal interest or the interest of any other person or entity. It also means performing his duties and transacting the affairs of the Company in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Board.

3.02 No Pecuniary Benefit.

(a) No Director shall directly or indirectly receive any profit from his position as such, provided that, notwithstanding anything herein contained to the contrary, Directors may receive reasonable payment for their services and reimbursement for reasonable expenses incurred by them in the performance of their duties.

(b) The pecuniary interests of immediate family members (including the immediate family members of a Director's partner) or close personal or business associates of a Director are considered to also be the pecuniary interests of the Director.

3.03 Definition of Conflict of Interest.

(a) A conflict of interest refers to situations in which personal, occupational or financial considerations may affect, or appear to affect, a Director's objectivity, judgment or ability to act in the best interests of the Company and includes conflicts as described in subsection 3.04 hereof.

(b) A conflict of interest may be real, potential or perceived in nature.

(c) A real conflict of interest arises where a Director has a private or personal interest, for example, a close family connection or financial interest.

(d) A potential conflict of interest may arise when a Director has a private or personal interest such as an identified future commitment.

(e) A perceived or apparent conflict of interest may exist when a reasonable, well-informed person has a reasonable belief that a Director has a conflict of interest, even if there is no real conflict.

(f) Full disclosure, in itself, does not remove a conflict of interest unless the Board having analysed the interest does not consider the conflict of any significance which may be considered material.

### 3.04 Principles for Dealing with Conflict of Interest.

(a) Both prior to serving on the Board and during their term of office, Directors must openly disclose a potential, real or perceived conflict of interest as soon as the issue arises.

(b) If the Director is not certain whether he is in a conflict of interest position, the matter may be brought to the attention of the Chair of the Board or for advice and guidance.

(c) If there is any question or doubt about the existence of a real or perceived conflict, the Board will determine by majority vote if a conflict exists. The Director potentially in conflict of interest shall be absent from the discussion and shall not vote on the issue.

(d) The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting.

## **SECTION 4 CONFIDENTIALITY**

4.01 Confidential Information. It is the responsibility of Directors to know what information is confidential and to obtain clarification when in doubt. Except as he may be compelled by applicable legal process, a Director must, both while having and after ceasing to have that status, treat as confidential all information regarding the policies, internal operations, systems, business or affairs of the Company obtained by reason of his status as a Director and not generally available to the public. A Director shall not use information obtained as a result of his involvement on the Board for his personal benefit. Each Director shall avoid activities which may create appearances that he has benefited from confidential information received during the course of his duties as a Director.

4.02 Review of Code. Each Director, forthwith after being elected, shall meet with the Chairman to review this Code and such other policies of the Company that apply to Directors.