



## **POLICY ON RELATED PARTY TRANSACTIONS**

### **Interpretation**

**Officer/s of Warwyck Phoenix PCC** means a member of the Board of Directors, a Chief Executive, an Executive, a Manager, and include designated employee/s of Warwyck Phoenix PCC ("the Company"), who has access to price sensitive and privileged information in the normal course of business.

### **Introduction**

Related party transactions are sources of conflicts of interests. The primary function of this policy is to set out the principles, roles and responsibilities with regard to conflict of interests arising from related party transactions of the Company. The aim of the Policy is to ensure that the deliberations and decisions made by the Company are transparent, at arm's length and in the best interests of the Company.

The Company has a separate policy on Conflict of Interests.

### **Definition of Related Parties**

Related parties include the following:

- (i) the Board members of the Company, its parent organisation, affiliated or sister companies and associates;
- (ii) A cell of the Company, body corporates or natural persons related to the Company through direct/indirect shareholdings;
- (iii) Natural persons related to the Company through senior management position, key Officers, directorship or their close ones;
- (iv) any significant shareholder owning or controlling more than 5% of the voting shares having the ability to control, or exercise a significant influence on, the outcome of resolutions voted on by shareholders or governing Board members of the organization its parent organisation, affiliated or associated companies;
- (v) The spouse, children, grandchildren, parent, siblings or close ones of any of the natural persons listed in Clauses (i, ii and iii);
- (vi) any business, and the governing Board members, CEO and key Officers of any business, in which the natural persons listed in paragraphs (i) to (v) own jointly or severally at least 5% of the voting rights; and
- (vii) any person whose judgment or decisions could be influenced as a consequence of an arrangement or relationship between or involving themselves and any of the persons in paragraphs (i) to (vi).



## **Related Party Transaction**

Related party transactions include transactions between the Company and any of the above mentioned related parties.

Related party transactions include, among others, the following:

- Any subscription/ redemption/ share transfer/switching by related parties;
- Investment in equity of a related party;
- Acquisition/Sale of a company from/to a related party;
- Loan to/from a related party;
- Acquisition of a loan granted by a third party to a related party;
- Transfer of Investment from/to a related party;
- Consultancy or professional service contracts with directors and related parties; and
- Acquisition, sale or lease of assets from/to related parties.

Pursuant to Section 63(3) of the CIS Regulations 2008, all transactions carried out by or on behalf of the collective investment scheme must be at arm's length, especially when the transactions involve the CIS manager, directors, the investment adviser, investment dealer of the collective investment scheme, a member of the governing body of the collective investment scheme or any of their associates as principal.

All transactions with related parties shall be carried out on terms and conditions that are at least as favourable to the Company as market terms and conditions.

## **Responsibilities of the Board and Management**

The Board is ultimately responsible for establishing and implementing appropriate policies on conflicts of interests and related party transactions. The Board exercises this responsibility via the formal review and approval or ratification of all related party transactions. Board members with conflicting interests shall, however, be excluded from the approval of related party transactions.

## **Disclosing & Managing related party Transactions**

All related party transactions should be conducted at arm's length. In case transactions are not at arm's length, prior approval is required from the Board.

All related party transactions shall be tabled to the Board for approval or ratification. Where a director is potentially involved in a conflict of interest arising from a related party transaction, he/she shall not participate in any discussion and shall not vote on the issue.



An Officer shall not take part in any deliberation or any decision-making process in relation thereto.

If an Officer is not certain whether he/she is in a related party transaction situation, he/she should discuss the matter with the Chairperson of the Board or with the Company Secretary, for advice and guidance.

Similarly, any related party involved in any related party transaction must be excluded from the approval, execution and monitoring process.

The Board shall ensure that all related party transactions are reported in the audited financial statements of the Company.

The Internal Audit function shall, as part of its process reviews, check whether the established policies, limits and procedures in relation to related party transactions are strictly adhered to.