	The Hub Power Company Limited	Conflict of Interest
HUBCO	Version 02 Approved by The Board on 28th October 2026	

1. Purpose

HUBCO is committed to the highest standards of integrity and ethical conduct. This Policy establishes the framework for identifying, disclosing, and managing conflicts of interest to protect the Company's reputation, assets, and the integrity of its decision-making processes. It applies across all business activities and is to be read alongside HUBCO's Code of Conduct and other ethics policies.

2. Scope

This Policy sets out the minimum standards expected from all employees regarding the identification, disclosure, and management of conflicts of interest, covering all situations and activities where there is a potential risk of compromised judgment, inappropriate influence, or a breach of the duty of loyalty owed to HUBCO.

All business conduct must be carried out in accordance with applicable local laws, regulations, industry codes, and Company policies. Where any local law, regulation, or industry code imposes a more stringent requirement than that established in this Policy, the more stringent requirement shall apply.

3. Applicability

All full-time, part-time and contract employees at HUBCO and its Group Companies (collectively, 'employees').

4. Key Definitions

- **Conflict of Interest:** Any situation (actual, potential, or perceived) where an employee's personal, financial, or professional interests may impair, or appear to impair, their objectivity or fidelity to HUBCO.
- **Immediate Family Member:** An employee's spouse, children, parents, siblings, or any financially dependent person in the same household.
- **Material Financial Interest:** Any ownership, shareholding, loan, or financial exposure in an entity exceeding 1% of total shares or capital. Excludes passive holdings in listed companies below 1%.
- **External Directorship**: Any directorship, trusteeship, advisory board membership, or equivalent governance role held by an employee in an entity outside HUBCO.
- **Group Companies:** Any and all associated companies, affiliates and/or subsidiaries of the Company, whether wholly-owned or not, in respect of which HUBCO has management control.

5. Guiding Principles

- **Integrity:** Act in HUBCO's best interests at all times and never allow personal interests to influence professional judgment.
- **Transparency:** Disclose all actual, potential, or perceived conflicts promptly and fully, without waiting to be asked.
- **Accountability:** Take personal responsibility for identifying and managing conflicts within your own sphere of influence.
- **Impartiality:** Ensure that business decisions are made on merit, free from personal bias or outside influence.
- **When in doubt, disclose:** If a situation could reasonably be perceived as a conflict, treat it as one and seek direction.

6. What constitutes a conflict of interest

Situations that give rise to a conflict of interest include, but are not limited to:

- Holding a material financial interest in a competitor, supplier, customer, or business partner of HUBCO.
- Participating in a HUBCO business decision where the employee or an immediate family member has a direct or indirect financial or personal interest.
- Engaging in outside employment (including educational or voluntary engagements), a directorship, or a business interest that competes with, or materially transacts with, HUBCO or interferes with the ability to fulfil their role and working hours.
- Supervising, hiring, or determining the remuneration of an immediate family member.
- Receiving gifts, hospitality, or personal benefits from third parties beyond the thresholds in the Gifts and Business Entertainment Policy.
- Using confidential HUBCO information for personal benefit or the benefit of a third party.

This list is illustrative and not exhaustive. Employees must apply sound judgment in any situation that could, even in appearance compromise their impartiality. When in doubt, disclose and seek direction.

7. External Directorships

- An External Directorship must not be held in any entity that is a direct competitor of HUBCO, unless expressly approved by the Board of Directors.
- The External Directorship must not result in the use of HUBCO resources, information, or working time for the benefit of the external entity.
- Prior written approval must be obtained before accepting any External Directorship in a non-competing entity, in accordance with the authority matrix below:

Category	Approval Authority	Notification
Employees	**Relevant LT Member**	Head of Internal Audit
Senior Management (LT Members) and Head of Internal Audit	**CEO**	Head of Internal Audit + Company Secretary + Board Audit & Risk Committee
CEO	**Board Chairman**	Head of Internal Audit + Company Secretary + Board of Directors
Board Director – Non-competing entity		Company Secretary
Board Director – Competitor or related entity	**Board of Directors (full resolution)**	Company Secretary

8. Transactions involving Interested Parties

Where any transaction, contractual commitment, or business decision (including but not limited to procurement, financing arrangements, and commercial agreements) involves a company or organisation in which an employee / CEO or their immediate family member has a beneficial interest, the following procedure shall be complied with:

Category	Approval Authority	Notification
Transactions involving employee / immediate family member's beneficial interest	CEO	Board Audit & Risk Committee (BARC) for up to Rs. 10M and additionally to Board of Directors for over Rs. 10M
Transactions involving CEO / immediate family member's beneficial interest	Board Audit & Risk Committee (BARC)	Board of Directors

9. Disclosure Obligations

All employees have a continuous duty to disclose any actual, potential, or perceived conflict of interest. Disclosure must be made:

- Immediately upon identification of a conflict;
- Annually, even where no change in circumstances has occurred since the prior disclosure;
- Within thirty (30) days of joining for new employees, and within fourteen (14) days of any material change in circumstances; and
- Prior to participating in any related transaction, procurement or business decision.

10. Managing Conflicts of Interests

- Every employee must disclose any actual, potential, or perceived conflict of interest to their immediate line manager and Head of Department.
- The line manager must determine the appropriate response in consultation with the Head of Department.
- The manager may direct the employee to avoid the conflict entirely, accept it where it is assessed as low-risk, or manage it through defined mitigations.
- Internal Audit shall be notified of all disclosures and approved responses for record-keeping.
- Where the conflict cannot be adequately mitigated, the employee must recuse themselves from the relevant decision, transaction, or process entirely.
- Where a disclosed but inadequately managed conflict causes detriment to the Company, the matter shall be reviewed by Internal Audit.
- Any manager who becomes aware of undisclosed conflict must report to the Head of Department or Internal Audit immediately.
- The CEO shall disclose any actual, potential or perceived conflict to the BARC through the Company Secretary. BARC shall approve the appropriate response, and the Board shall be notified. Internal Audit shall maintain the record.

11. Appeals

An employee who is dissatisfied with the outcome of a conflict review may escalate the matter in writing to the Head of Internal Audit, who will independently assess the situation and provide a recommendation. Where the matter remains unresolved, it shall be referred to the CEO, whose decision shall be final. For conflicts involving Senior Management, the BARC Chairman serves as the final escalation point.