



BOARD OF DIRECTORS CONFLICT OF INTEREST POLICY

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1. PURPOSE AND SCOPE

The purpose of this Conflict of Interest Policy is to establish guidelines and procedures to identify, disclose, and manage potential Conflict of Interests of directors of Pan African Resources PLC (referred to as the board). This policy ensures that board members act in the best interests of the organisation and its stakeholders, avoiding any actual or perceived conflicts that could compromise their judgment or integrity.

This policy needs to be read in conjunction with the following:

- Share trading policy - Including the effective management of price sensitive information
- Gift policy
- Anti-Bribery and Anti-Corruption policy
- Commercial malpractices policy
- King IV requirements pertaining to corporate governance and Conflict of Interest
- Any other relevant Pan African policy or procedure, or law/regulation applicable to the Pan African Group.

2. POLICY STATEMENT

It is the policy of Pan African Resources PLC that all board members to act in the best interests of the organisation and avoid any conflicts of interest that may compromise their independent judgment or objectivity. This policy outlines the procedures for identifying and disclosing a potential Conflict of Interest and establishes guidelines for managing and resolving such conflicts.

3. DEFINITIONS

TERM	MEANING
Pan African	Pan African Resources PLC and all the companies in the Pan African Group.
Conflict of Interest	Any circumstance described in paragraph 4 of this policy.
Connected Person	Any person with a close personal relationship with/or any relative of a Director and any trust of which such Director, person with a close personal relationship or relative is a beneficiary.
Chairman	Chairman of the Pan African board of directors.
Director	Any person serving as a director on the Pan African board.
Significant Financial Interest	A direct or indirect financial interest or other interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Director's or Connected Person's judgment with respect to transactions to which Pan African is a party and this includes all forms of compensation.
Contract or Transaction	Any agreement, transaction or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant and the establishment of any other type of monetary or business relationship.

4. CONFLICT OF INTEREST DEFINED

- 4.1 A conflict may occur when a Director has a personal, financial, or professional interest or connection with, an organisation or individual, including current or potential employees, that Pan African has transacted with or may transact with. It can also arise if the Director has an unrelated business interest that may not directly involve Pan African but could still impact their independent judgement or detract them from their responsibilities to Pan African.
- 4.2 It is important to note that the Conflict of Interest mentioned in this policy can be either direct or indirect. This means that the interest could belong to the Director themselves, another individual such as a Connected Person of the Director, or an organisation in which the Director or such other person has an interest.
- 4.3 It is not feasible to provide an exhaustive list of all situations that may constitute a Conflict of Interest. The determination of whether an interest constitutes a potential conflict will depend on the specific circumstance of each situation.
- 4.4 Relevant factors to consider when evaluating a potential conflict include the significance of the business in question, the degree of the Director's influence on Pan African's decisions related to the transaction, and whether the interest could impact the Director's objectivity or business judgement.
- 4.5 When assessing whether a Conflict of Interest is present, sound judgement based on the specific facts of each case is crucial.
- 4.6 Examples of common transactional scenarios where a Conflict of Interest may arise include, but are not limited to:
- Choosing and engaging consultants or other professional advisers
 - Selecting or overseeing contractors, suppliers, or vendors
 - Buying or selling products or acquiring materials, supplies and equipment
 - Making investment and borrowing decisions
 - Appointing employees who are Connected Persons or have a relationship with a Director
 - Having an interest in an unrelated business that could potentially negatively impact Pan African or its prospects in any way.
- 4.7 Compensation arrangements and employment contracts that directly impact a Director may give rise to apparent Conflict of Interest. Furthermore, if a director becomes aware of an opportunity, commonly known as a "corporate opportunity" to acquire property or gain a financial or business advantage through their relationship with Pan African and if the opportunity is relevant to Pan African's current or future objectives or goals, the Director must first present the opportunity to Pan African.
- 4.8 **For purposes of this policy, the following circumstances will be deemed to create Conflict of Interest:**
- 4.8.1 **Outside interests**
- A Contract or Transaction between Pan African and a Director or a Connected Person.
 - A Contract or Transaction between Pan African and an entity in which a Director or a Connected Person has a Significant Financial Interest or serves as a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or any other legal representative.

4.8.2 Outside activities

- A Director engaging in competitive activities with Pan African by providing services or entering into any Contract or Transaction with a third party.
- A Director having a Significant Financial Interest in, or holding a position as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or any other legal representative or consultant to an entity or individual that competes with Pan African in providing services or engaging in any Contract or Transaction with a third party.

4.8.3 Gifts, gratuities and entertainment

- The exchange of common courtesies, occasional meals or reasonable entertainment that are relevant to the business relationship and associated with business discussions are considered acceptable within the bounds of sound business practice.
- A Director should exercise their reasonable judgement when accepting gifts, gratuities or entertainment.
- It is essential to exercise caution and adhere to the provisions of the Anti-Bribery and Anti-Corruption Act of the UK and other applicable legislation when dealing with gifts, gratuities or entertainment involving **government officials**.

4.8.4 Loans

- Loans will not be granted to a director unless the following conditions are met:
 - Obtaining the necessary approval from shareholders
 - Obtaining the necessary approval in accordance with an approved employee incentive scheme.

5. CONFIDENTIALITY

Directors are prohibited from disclosing or utilising any information pertaining to the business of Pan African for their personal profit or benefit, or for the benefit of any Connected Person.

6. REGULAR DISCLOSURE

- Whenever a Director becomes aware of having a Conflict of Interest or potential Conflict of Interest, they are required to disclose it to the Chairman.
- All Conflict of Interests must be recorded in the Pan African Conflict of Interest register.
- If a Director has a Conflict of Interest regarding a matter that will be voted on during a Pan African board of directors meeting, they must abstain from participating in the vote.

7. CONTRAVENTION OF THE POLICY

The Company considers any violation of this policy as a serious matter and in cases where a director also serves as an employee, non-compliance with relevant statutory and regulatory requirements will be investigated and may result in disciplinary action.

In the event of a contravention of this policy by a non-executive director, as well as non-compliance with relevant statutory and regulatory requirements, such matters will be investigated and addressed by the chairman of the board.

8. REVIEW OF POLICY

8.1 This policy will be reviewed annually by the Pan African board of directors.

9. POLICY APPROVAL

9.1 This policy was approved by the board of directors as reflected in the approved minutes of 27 June 2024.

9.2 The policy becomes effective from 27 June 2024 and is subject to annual review.