

## CONFLICT OF INTEREST POLICY

Real People Kenya Limited

S. No	Version	Revision Date	Author	Areas Revised	Document Owner
1	1.0.0	27 <sup>th</sup> April, 2021	Elvis Kitaa	Initial Draft	Legal and Compliance
2	2.0.0	18 <sup>th</sup> July 2023	Dellah Onyinkwa	None	Legal and Compliance

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## **1. Introduction**

- 1.1. Real People Kenya Limited is committed to ensure that it conducts its affairs in a transparent and professional manner for the benefit of the company. In so doing, Real People Kenya Limited encourages participation of all its stakeholders.
- 1.2. Conflict of interest may exist when an individual's duty is prejudiced by actual or potential benefit from another source.

## **2. Definitions**

- 2.1. Affiliated institution – refers to an individual or entity that Real People Kenya Limited intends to transact with.
- 2.2. Conflict of interest - shall refer to a situation where the loyalty, action or judgement of a staff or director of the institution is, or may, be influenced.
- 2.3. Director – Shall refer to a current or former director of Real People Kenya Limited.
- 2.4. Disclosure – refers to the act of providing to the appropriate person with a written description of any fact(s) comprising the conflict of interest.
- 2.5. Institution – Refers to Real People Kenya Limited.
- 2.6. Staff - refers to all or any employee of the institution whether engaged on a contractual basis or on a full-time capacity.
- 2.7. Stakeholders- refers to any individual that has interest in the institution

## **3. Scope and Rationale**

- 3.1. The scope of this policy is to all staff, directors and stakeholders of the institution.
- 3.2. The policy will serve to promote unfettered handling of actual, apparent or perceived conflict of interest relating to judgement or actions in respect to the affairs of the institution so as to ensure that they are not unduly influenced by secondary interests.
- 3.3. The policy will also protect the interest of the institution in its regular course of business.

3.4. Conflict of interest will relate to any person who has the ability to significantly influence the management or operation of the institution or affiliated institution, to the extent that one of the transacting parties might be prevented from pursuing interests of the Real People Kenya Limited.

3.5. Individuals deemed to have substantial influence over the institution are;

3.5.1. Each member of the board of directors

3.5.2. Staff of the institution

3.5.3. Immediate family of the directors and staff of the institution including but not limited to spouses, children, brothers, sisters, grandparents and grandchildren.

#### **4. Duty to Disclose**

4.1. It shall be the responsibility of any individual who perceives a potential or known conflict to disclose the conflict in writing to the concerned person.

4.2. All staff of the institution are required to disclose on an annual basis or when required and without prejudice, immediately they are involved or engaged as a director of an entity that may be perceived to have competing interests with the institution.

4.3. Failure to disclose such a conflict will be treated as a disciplinary issue.

#### **5. Determining if a Conflict Exists**

5.1. Each staff shall disclose to the Chief Executive Officer all material facts regarding the affiliation of such a staff and any person or entity that the institution is considering or has entered into a transaction with. The Chief Executive will subsequently determine if a conflict exists.

5.2. The Chief Executive Officer and any member of the board shall disclose to the Board any and all material facts regarding their affiliation with any person or entity that the institution is considering or has entered into a transaction with. The board will thereafter determine if any conflict exists.

5.3. At any meeting of the company where a transaction involving an affiliated person will be considered, and a conflict noted, the affected staff or director shall be required to recuse him/herself from such a discussion and shall not vote or participate in such a discussion.



## **6. Areas of Possible Conflict**

- 6.1. It is understood that any conflict at the institution may arise from any of the following;
- 6.1.1. Persons or entities who supply goods and services to the institution.
  - 6.1.2. Persons or entities from which the institution offers services to.
  - 6.1.3. Persons or entities from which the institution leases property.
  - 6.1.4. Persons or entities with whom the institution is dealing or making arrangements to deal in connection with the gift, purchase or sale of securities, real estate or other property.
  - 6.1.5. Agencies, organisations and associations that affect the operations of the institution.
  - 6.1.6. Owning stock or holding debt or other interests in a third party dealing with the organisation.
  - 6.1.7. Holding office, whether presently or formerly, as a director, shareholder or substantial person, in any organisation that intends to transact with the institution.

## **7. Procedure for Handling Conflict of Interest**

- 7.1. Any individual who is of the opinion that they or their immediate family may have real or perceived conflict of interest, in addition to notifying the concerned person, must abstain from using his/her influence to affect deliberations, participating in discussions in respect to the subject of the conflict, voting or executing agreements.
- 7.2. Any cases of conflict once found will be addressed with the urgency so required and any transactions that have been affected will be reviewed retroactively.
- 7.3. Affected persons both within the institution and outside the institution will be notified prior to commencing investigations.
- 7.4. A report will thereafter be prepared by the Quality Assurance officer or their absence, an individual appointed by the Chief Executive Officer or board, (as the case may be) documenting the extent of the conflict and the intentions of the parties involved. This report will be shared with the Chief Executive Officer and Chair of the Board Audit and Risk Committee.

**8. Recording conflicts**

- 8.1. The secretary to the board and board committees shall maintain a conflict of register to record any conflicts of interest that may be noted at board level. Such register shall be updated on a monthly basis. (Sample of register marked as annexure 1)
- 8.2. The Human Capital department shall inform the Chief Executive of any reported conflicts that may be raised by a staff in the conflict of interest declaration form which shall be required to be filled by all staff after every two years. It is however expected that a staff will be required to immediately report any arising conflict the two years notwithstanding. (Template of interest declaration marked as annexure 2)

**9. Disciplinary Action**

- 9.1. All cases of conflict will be reviewed on a case by case basis.
- 9.2. The Chief Executive Officer shall in liaison with the board make a decision relating to staff and directors for any breach of this policy as well as take any action that is both fitting and necessary including suspension and/or termination of employment of the affected person that is found culpable.
- 9.3. Any decision made in regard to this shall be communicated to the affected person in writing.

**10. Annexures**
**10.1. Annexure 1 - Conflict of Interest Register (for directors)**

Real People Kenya Limited

Conflict of Interest Register for Directors

	Date conflict is recorded	Name of person declaring conflict	Details of conflict	Action taken
1	31-Oct-20	Nil	No conflict recorded as at end of Month	Not Applicable
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

10.2.

**Annexure 2 - Conflict of Interest Declaration Form (for staff)**

**REAL PEOPLE™**

**Conflict of Interest Declaration Form**

NAME: \_\_\_\_\_  
 ID No: \_\_\_\_\_  
 EMPLOYEE NUMBER: \_\_\_\_\_  
 DESIGNATION: \_\_\_\_\_

You are required to list any matters/potential conflicts of interest you feel may be relevant to your fitness and propriety to undertake your role for Real People.

- Please note that for the purposes of interpretation, conflicts of interests are deemed to include:
- I. An economic interest by you or any family member in a company, firm, partnership or other form of business which might reasonably be deemed to conflict with your obligations to Real People.
  - II. An undertaking, arrangement or beneficial interest in a contract, written, oral or otherwise made, whether directly or indirectly through a family member or a trust or any other format, which might reasonably be deemed to conflict with your obligations to Real People.

Factors to consider when determining a conflict of interest. If the answer to any of the questions below is "yes" then you need to make a conflict of interest declaration in the schedule below

- I. Are you getting paid by Real People or by a Real People Vendor / Business Partner?
- II. Does your business involve using Real People employment time and / or resources?
- III. Does your business compete with Real People products or services?

CURRENT DIRECTORSHIPS			
<small>LIST ALL CURRENT DIRECTORSHIPS OR OTHER POSITIONS OF RESPONSIBILITY (SUCH AS TRUSTEE)                      LIST ALL INTERESTS (INCLUDING SHARES, MEMBERS INTEREST AND BENEFICIAL INTEREST) THAT YOU HOLD DIRECTLY AND/OR INDIRECTLY IN COMPANIES (NOT LISTED), CLOSE CORPORATIONS AND TRUSTS WHICH MIGHT REASONABLY BE DEEMED TO CONFLICT WITH YOUR OBLIGATIONS TO REAL PEOPLE                      EXTRACT FROM EMPLOYMENT CONTRACT:                      ALL INTERESTS (INCLUDING SHARES) WHETHER DIRECTLY OR INDIRECTLY MUST BE DECLARED IN WRITING WITH THE EXCEPTION OF SHARES IN A LISTED COMPANY OR ANY RECOGNISED STOCK EXCHANGE UP TO A MAXIMUM OF 5% OF THE TOTAL SHARE CAPITAL OF THE LISTED COMPANY.*</small>			
Name of Company or other entity	Nature of Business	Position Held	% of shares held

I DECLARE that my responses and any information supplied are, to the best of my knowledge, complete and correct, and that no material fact is omitted.

Other than as detailed above, I am not aware of any conflicts of interest arising from my personal affairs which might conflict with Real People or any of its subsidiaries/affiliates in any way.

I have completed Schedule A (attached) to the best of my knowledge.

I agree that I will promptly notify Real People of any changes in the information or any additional circumstances that arise after completion of this form.

Employee Signature \_\_\_\_\_  
 Date \_\_\_\_\_



Signed By: DR. ROBERT SHIBUTSE

CEO – RPKL



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DATE .....<sup>24</sup> July 2023