

Conflict of Interest Policy

HOWDEN

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01 Introduction

HOWDEN INSURANCE & REINSURANCE BROKERS (PHIL), INC. (“HIRBPI” or the “Company”) has adopted this Conflict of Interest (COI) Policy to ensure that all decisions are made in the best interest of the Company free from any undue personal influence.

This Policy outlines the minimal standards to proactively identify and assess conflict of interests, and to implement suitable mitigating or management controls, which are fit for purpose based on the inherent risk associated with any particular conflict documented in accordance with corporate governance principles and the regulatory requirements of the Insurance Commission.

The upholding of a strong sense of ethics and integrity is of the highest importance to the Company and critical to its success in the business environment. It is the Company's belief that effective business relationships can only be built on mutual trust and fair dealing.

02 Purpose

This Policy aims to:

- Prevent situations where personal interests improperly influence official duties.
- Detect undisclosed or potential conflicts through independent verification.
- Ensure transparent management and documentation of conflicts.
- Protect the Company from regulatory, reputational, and financial risk.

03 Scope

This Policy applies to all directors, officers, key management personnel, and employees involved in decision-making or transactions that could create a conflict with the Company's interests.

04 Definition

A **conflict of interest** occurs when an individual has a personal interests, relationships, or activities that could improperly influence, or reasonably be perceived to influence, their decision making on behalf of Howden, or the performance of his/her fiduciary duties to the latter. It also occurs where an individual can exploit Howden or relationships for financial, business or personal gain.

Conflicts of interest can take many forms, but they can be summarized into the following three types:

- **Actual** – Involving a real direct or indirect conflict between current duties and/or interests. It exists when a person's private interest directly influences the performance of his/her fiduciary duty;
- **Potential** – involving circumstances where it is foreseeable that a conflict may arise in the future. It exists when a person's private interest could reasonably develop into an actual conflict with the performance of his/her fiduciary duty in the future; and
- **Perceived** – in circumstances that create the appearance of a conflict although a conflict may not have arisen. It exists when a reasonable third party may conclude that a person's private interest may influence the performance of his/her fiduciary duty, even if no actual conflict exists.

An individual's interest may be his/her own (direct interest), or that of his/her immediate family members, friends, close associates, partnerships or related entities (indirect interest). Immediate family usually includes spouse, children, parents, siblings, or other close family relatives.

An individual's interest may likewise be financial or non-financial, which may include, but not limited to:

a.) Financial Interest:

- Secondary employment
- Consultancy work
- Board membership/ Trusteeship
- Ownership interest
- Investments
- Commissions or financial benefits
- Special privileges
- Gifts & hospitality

b.) Non-financial Interest

- Personal relationships
- Personal bias
- Personal loyalties
- Professional affiliation
- Future business/ career opportunity
- Advocacy

Whilst it is neither possible, nor practical, to address in this Policy every possible type of conflict of interest that could arise in relation to Howden, Appendix A is a non-exhaustive list of the types of benefit and relationships which could give rise to a conflict of interest.

05 Basic Elements

A conflict of interest generally exists when all three core elements are present:

- **A Fiduciary Role:** The individual (e.g., a director or officer) has duty to act in the best interest of a "principal," (e.g., the company or its shareholders).
- **A Competing Personal Interest:** The individual has a private interest (financial or non-financial) that could benefit him/her or his/her familial or relational interests with others.
- **An Actual, Potential or Perceived Interference:** This personal interest could influence or reasonably appear to influence the individual's judgment, objectivity, or impartiality in performing their official duties.

06 Duty of Disclosure

All employees must adhere to the following:

- All conflicts must be disclosed immediately and reflected in the COI Register.
- Initial disclosure/ COI Declaration must be given upon appointment or employment.
- A periodic COI Declaration must be given in the course of employment.
- Disclosures must be updated in the event of any material change in circumstance.

07 Independent Verification / Safeguards

The Company further maintains a layered control framework to provide preventive and detective safeguards beyond self-certification, to wit:

- Fit and Proper Criteria
- Customer, Business Introducer, and Third-Party Vendor/Supplier Due Diligence for Onboarding & Ongoing Monitoring Processes & Procedures e.g., UBO checking
- Gifts and Hospitality Controls
- Suspicious Transaction Reporting
- Whistleblowing Mechanism

08 Mitigation Measures

When a conflict is confirmed, actions may include:

- Recusal from deliberations
- Removal from decision-making authority
- Independent review of transaction
- Divestment of interest
- Reassignment of duties
- Termination of conflicting activity

09 Sanctions

Failure to disclose or deliberate concealment of conflicts may result in:

- Written reprimand
- Suspension
- Removal from office
- Termination of employment
- Regulatory reporting, where required

10 Escalation and Disposition

10.1 For Directors

- Interested Director must abstain.
- Remaining Directors determine appropriate mitigation action or sanction to be taken/imposed.

10.2 For Officers and Employees

- Senior Management determines appropriate mitigation action or sanction to be taken/imposed.

11 Monitoring and Recordkeeping

- HR shall record all the COIs and mitigation actions in the COI Register and update the same as needed.
- Compliance shall periodically review compliance with this Policy and recommend policy enhancements as needed.
- Records must be maintained for at least five (5) years.

12 Training & awareness

- All new joiners shall undergo conflicts of interest training which is relevant to the role they undertake.
- All employees shall undergo conflicts of interest training or refresher courses at least annually to ensure that they can continue to effectively identify conflicts, understand their impact and are aware of their obligations.

13 Policy Review

This Policy shall be:

- Reviewed annually;
- Updated to reflect IC circulars or governance developments;
- Any material change shall be approved by the Board of Directors.

14 Effectivity

This Conflicts of Interest Policy was approved by the Board on 7 January 2026, as evidenced by Board Resolution dated 7 January 2026, and shall take effect immediately thereafter.

15 Appendices

Appendix A – Examples of Conflict types

Appendix B – COI Register Template

Appendix A

Examples of Conflict Types

The list below is by no means exhaustive. It is intended to provide examples of some of the types of conflict that may occur, to help individual teams identify which conflicts are applicable to their entity.

- Intra-group conflicts where multiple Howden Group entities are involved in the same placement chain.
- Basing financial decision making around personal interest rather than what is best for the business.
- Close relationship with an employee of a client, competitor, external supplier, or any other market counterparty.
- Excessive corporate hospitality and gifts which could be perceived as inducements.
- A director of the company is a competitor of the company.
- A director of the company is a major shareholder of the company.
- A director of the company is a customer of or a supplier to the company.
- A director of the company has an advisory relationship (for example, financial or legal) with the company or a competitor of the company.
- A director of the company is appointed director of another company which competes with, is a major shareholder in, is a customer of or a supplier to the company.
- A director of the company is a shareholder in a competing company or a company that is a customer of or supplier to the company.
- A director of the company is nominated to represent the company on the board of a joint venture company in which the company has invested.
- A director of the company sits on the board of a statutory or non-statutory body which has a relationship with or advises the company or one of its subsidiaries.
- A director of the company is in a situation where they can make a profit as a result of their directorship, whether or not they disclose this to the company.
- A director of the company is a director of another company which the company is proposing to acquire, or which is proposing to make an offer for the company.
- Placing cover for family or friends.

Version Control

Version:	Nature of Changes:	Prepared by:	Approved by:	Date:
1.0	First Issuance	Carla Q. Santos	Raul B. Tan	13 December 2022
2.0	Version 1.0 was reviewed. Addition of Mitigation Measures, Escalation and Disposition, Monitoring and Recordkeeping, Sanctions, COI Register Template	Atty. Emmanuel G. Villanueva	Board of Directors	7 January 2026

The logo for Howden, featuring the word "HOWDEN" in a bold, blue, sans-serif font. The letters are closely spaced and have a slight shadow effect. The logo is positioned on the left side of the page, partially overlapping a large, light blue circular graphic element.