



CONFLICT OF INTEREST

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Process Approval				
Work Done	Person In Charge	Title	Signature	Date
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Amendment Details				
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V 1.0	01/06/2017		Establishing of the Stipulation on Conflict of Interest	Triệu Ngọc Minh
V 2.0				

1. OBJECTIVES:

Declaration of Conflict of Interest is designed to ensure:

- All Digiworld ("Company") business operations are conducted with the most utmost integrity, controlled strictly to avoid financial and resource losses and affect Digiworld's reputation.
- Every employee in Company is fully aware of situations that may be considered as conflict of interest when employees work in a conflict of interest situation.
- Employees shall not engage in any conduct that may result in a conflict between the personal interests of the employee and the Company's interests or undertake anything that could be construed as possibly being in a conflict of interest to the Company.
- Relationships that may lead to conflict of interest to the Company are monitored and updated periodically. Hence, inherent risks are under control and prevention.

2. **SCOPE:** This Stipulation applied to all Digiworld's employee at any level.

3. DEFINITIONS:

3.1 Conflict of Interest:

- ✓ A conflict of interest situation arises when the private interests of a staff member competes or conflicts with the interests of the Company. Private interests include both the financial and personal interests of staff members and those of their connections. Connections include family members, relatives and close personal friends.
- ✓ A conflict of interest is when Digiworld's employee has a private or personal interest which may influence to employee's independent and objective judgement at work, For example: An employee is working for Purchasing department and has the right to choose vendor for Digiworld that him(her)self or any of his(her) family members or close personal friends have a direct financial benefit from Digiworld's vendor/tender ...
- ✓ If employee simultaneously works for other companies outside Digiworld that are or could be construed as possibly being in direct/indirect competition with Digiworld or possibly becoming suppliers of goods or services to Digiworld. This may result in a conflict of interest depending on the employee position, in this case employee must disclose full



details of other job and submit for approval from employee's line manager and HR Manager, simultaneously sign agreed in a letter that clearly set out the terms regarding this kind of situation and notify employee's second employer that he/she already work for Digiworld.

3.2 **Conflict of interest situations include:**

- ✓ Digiworld's employee or any of his(her) family members or close personal friends have a direct financial benefit from Digiworld's vendors of goods or services.
- ✓ Digiworld's employee or any of his(her) family members or close personal friend have a direct financial benefit from selected vendor to participate in a tender to supply goods or services for Digiworld.
- ✓ Digiworld's employee is holding a significant financial interest (material financial interest) in Digiworld's direct competitors.
- ✓ The official staff or recruiting candidates have an intimate relationship (e.g. lovers, close personal friends, spouses, parents, siblings, relatives...) is holding positions/or be recruited into positions have contrast control functions in the control processes and decentralized to cross check each other to mitigate risks for Digiworld.
- ✓ An employee who is simultaneously working for Digiworld as well as working as:
 - + An external consultant/freelancer for other companies outside Digiworld that are or could be construed as possibly being in direct/indirect competition with Digiworld or possibly becoming suppliers of goods or services to Digiworld.
 - + Employee of other companies or organizations that directly or indirectly influence to Digiworld's business activities; that are or could be construed as possibly being in direct/indirect competition with Digiworld or possibly becoming suppliers of goods or services to Digiworld.
 - + Holding stocks/ own another businesses that are or could be construed as possibly being in direct/indirect competition with Digiworld or possibly becoming suppliers of goods or services to Digiworld
- ✓ Digiworld's employee working as an external consultant/ contractor advising Digiworld about a contract with a third party when he/she simultaneously acts on behalf of that third party.

4. **BASIC PROVISIONS**

To mitigate the risks associated with Conflict of interest:

- The employee must avoid any conducts and/or any anything that could be construed as possibly leading to a conflict of interest. Any violation of this regulation may lead to possibility of being criticized by favoritism, abuse of power or even being under accusation of corruption.
- When a staff member has a potential conflict of interest with the Company, he/she should make full disclosure of his/her interests to the Company through his/her line manager by submitting a "Declaration of Conflict of Interests" form. A copy of the form will be kept on file by the responsible Human Resources and Administration Department.
- Digiworld is strictly prohibited employees have intimate relationships (e.g. partners, spouses, parents, siblings, relatives, close personal friends...) are holding positions have contrast control function in the control processes and decentralized to cross check to mitigate risks for Digiworld. Any Digiworld's employee falls into such kind of conflict of interest situation has to immediately report to His/her Line Manager and Human Resource Manager to find a solution (resign or transfer to another position). HR Recruitment Team must immediately stop recruiting a candidate if that candidate is determined to possibly fall into this kind of conflict of interest.
- If Digiworld's employee is simultaneously working for more than 02 companies, He/she should:
 - Disclose full details of the other jobs to Line Manager and HR Manager to get approval.
 - Notify in writing to other employers that He/she already work for Digiworld.
- Line Managers should:
 - Review all the positions in the department on annual basis to ensure there is no conflict of interest may cause control risks to the operation of the Department. For any conflict of interest found in the department, the Line manager have to consult with HR Manager to identify the fast and suitable solutions.

- Note clearly in **“Form-Declaration of Conflict of Interest”** send directly to HR Department.
- If you are in conflict of interest situation but cannot get out of the situation because of special reasons that may significantly affect Digiworld’s business activities, you may ask for special approval from the Board of Directors (Note: should get approval from the employee’s Line Manager and HR Manager before submitting to get approval from the Board of Directors).
- Procedure for Declaration of Conflict of Interest in which he Declaration steps are as follows:
 - + For New employee: on the first working day, the employee is required to complete the **“Form-Declaration of Conflict of Interest”**.
 - + Controlling process:
 - All employees are required to complete the **“Form-Declaration of Conflict of Interest”**. for reporting any conflict of interest to the HR Department.
 - HR Department will synthesize to report to the Board of Directors to get approval for some special conflict of interest situations.
 - Internal Audit Department along with Legal Department will conduct the annual inspection review.
- Violation sanctions: Any violations will be will be sanctioned in accordance with the stipulation The Digiworld Internal Labour Regulations.

