



Conflict of Interest Policy

It is in the best interest of L'azurde for Jewellery (L'azurde) to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest.

This conflict of interest policy is designed to help directors, officers and employees of the L'azurde identify situations that present potential conflicts of interest and to provide L'azurde with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in L'azurde's operations.

1. **Conflict of Interest Defined.** In this policy, a person with a conflict of interest is referred to as an "interested person." For purposes of this policy, the following circumstances shall be deemed to create a Conflict of Interest:
 - a. A director, officer or employee, including a board member (or family member of any of the foregoing) is a party to a contract, or involved in a transaction with L'azurde for goods or services.
 - b. A director, officer, employee or volunteer, (or a family member of any of the foregoing) has a material financial interest in a transaction between L'azurde and an entity in which the director, officer or employee, or a family member of the foregoing, is a director, officer, agent, partner, associate, employee, or other legal representative.
 - c. A director, officer or employee, (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with L'azurde.

Other situations may create the appearance of a conflict, or present a duality of interests in connection with a person who has influence over the activities or finances of the L'azurde. All such circumstances should be disclosed to the board or executive management or section heads, as appropriate, and a decision made as to what course of action the organization or individuals should take so that the best interests of the L'azurde are not compromised by the personal interests of stakeholders in the L'azurde.

Gifts, Gratuities and Entertainment. Accepting gifts, entertainment or other favors from individuals or entities can also result in a conflict or duality of interest when the party providing the gift/entertainment/favor does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the interested person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of L'azurde.

2. Definitions.

- a. A "Conflict of Interest" is any circumstance described in Part 1 of this Policy.
- b. An "Interested Person" is any person serving as an officer, employee or member of the Board of Directors of L'azurde or a major client to L'azurde or anyone else who is in a position of control over L'azurde who has a personal interest that is in conflict with the interests of L'azurde.
- c. A "Family Member" is a spouse, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of an interested person.
- d. A "Material Financial Interest" in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person's or Family Member's judgment with respect to transactions to which the entity is a party.
- e. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods or services, the providing or receipt of a loan or grant, the establishment of any other type of financial relationship. The making of a gift to L'azurde is not a Contract or Transaction.

3. Procedures.

- a. Prior to the board or committee action on a Contract or Transaction involving a Conflict of Interest, a director, committee member or key manager having a Conflict of Interest and who is in attendance at the board meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting. If board members are aware that sections heads or staff have a conflict of interest, relevant facts should



be disclosed by the board member or by the interested person if invited to the board meeting as a guest for purposes of disclosure.

- b. A director or committee member who plans not to attend a meeting at which he has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- c. A person who has a Conflict of Interest shall not participate in or be permitted to hear the board or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his personal influence with respect to the matter, either at or outside the meeting.
- d. A person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote.
- e. The person having a conflict of interest may not vote on the Contract or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the Board of Directors of L'azurde has a Conflict of Interest when he stands for election as an officer or for re-election as a member of the Board of Directors.
- f. A director may not have any interest, whether directly or indirectly, in the transactions or contracts concluded for the company, unless through prior authorization from the regular/ordinary general assembly, to be renewed annually.
- g. Interested Persons who are not members of the Board of Directors of L'azurde, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or committee action, shall disclose to their supervisor, or the section head, or the Chair's designee, any Conflict of Interest that such Interested Person has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Interested Person. The Interested Person shall refrain from any action that may affect L'azurde's participation in such Contract or Transaction.
- h. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the supervisor or the head section or the Chair's designee, who shall determine whether full top management or board discussion is warranted or whether there exists a Conflict of Interest that is subject to this policy.

4. **Confidentiality.**

Each director, officer, and employee shall exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of L'azurde. Furthermore, directors, officers and employees shall not disclose or use information relating to the business of L'azurde for their personal profit or advantage or the personal profit or advantage of their Family Member(s).

5. **Review of policy.**

- a. Each director, officer and employee shall be provided with and asked to review a copy of this Policy and to acknowledge in writing that he has done so.
- b. Annually each director, officer and employee shall complete a disclosure form identifying any relationships, positions or circumstances in which he is involved that he believes could contribute to a Conflict of Interest. Such relationships, positions or circumstances might include service as a director of or consultant to another L'azurde organization, or ownership of a business that might provide goods or services to L'azurde. Any such information regarding the business interests of a director, officer or employee, or a Family Member thereof, shall be treated as confidential and shall generally be made available only to the board Chairman, the Chief Executive Officer, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy, Companies' law or any related regulations.
- c. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated to all staff.