Identifying and Declaring Personal Interests

1. Introduction

When a person has multiple interests, financial, personal, social, or other, it is possible that those Personal Interests diverge from the responsibilities that a person has an employee of Lakefront. Under such circumstances, people may find it difficult to make appropriate decisions or worry that their Personal Interests could be perceived as them not acting in the best interests of Lakefront.

If not handled well, Personal Interests can undermine trust between colleagues and between Lakefront and its stakeholders. Not being transparent about circumstances which are relevant in these situations can lead to a breakdown of relationships when that information comes to light at a later stage, and even just the perception of such circumstances can create a barrier to effective business relationships.

These Principles are designed to help us to identify situations where a possibility of a Personal Interest may lead to a conflict arising and creates a mechanism to enable us to manage these confidently and transparently.

2. Principles

2.1 General Principles

Decisions made on behalf of Lakefront should always be made in the best interest of the company and its stakeholders. If we allow our Personal Interests to cloud or influence decision making, this can directly impact business effectiveness, our ability to comply with applicable legislation or just simply damage our personal reputation and relationship with colleagues. Every person who works for Lakefront is responsible for identifying if they have a relevant Personal Interest that need to be declared.

2.2 Relevant Personal Interests

The following Personal Interests increase the likelihood of a conflict arising and must therefore be declared:

- Having a Significant Financial Interest* in a Third Party that directly competes with, or provides services to, Lakefront or its customers.
- Having a “close friend or family member”** who has a Significant Financial Interest* in a Third Party who directly competes with, or provides services to, Lakefront or its customers. This would include employment relationships with the Third Party.
- Participating in employment or providing a service (paid or unpaid) outside of Lakefront in a role that is the same as, or like, the role you undertake within Lakefront.
- Serving on a Board or Committee (for profit or not for profit) in a similar industry or company to Lakefront.
- Having a personal relationship with an individual for whom you have, or will have, line management or other supervisory responsibility.

*Significant Financial Interest - There is not an exact calculation to determine whether a Significant Financial Interest exists, however the following will generally be included:

- Any salary, payments for services, and/or consulting fees outside those from your employment by Lakefront

- Financial or ownership interests (including stock, stock options or other ownership interests) exceeding 1% of a publicly held company or which account for >20% of your annual income (whichever is lowest) (excluding equity interests in, or income from, managed pension schemes)
- Intellectual property rights including patents, copyrights, and royalties from such rights
- All financial interests in a privately held/non-public company

**Each persons' circumstances vary, therefore you must exercise your best judgement in determining whether the situation relates to a "close friend or family member", if you're not sure we encourage you to ask the question at Compliance@lakefrontbio.com.

The individual circumstances will determine whether a conflict actually exists and how this is best managed. If you consider any other Personal Interest to be of relevance to Lakefront, this should be declared even if not listed above.

2.3 Making a Declaration of Personal Interest

Anyone within Lakefront who identifies a relevant Personal Interest should make a Declaration of Personal Interest. This will enable an objective assessment of the situation to be undertaken and, where necessary, steps to be put in place to manage any arising conflict. This should be done for existing situations when you join Lakefront but also for any new circumstances which arise during your relationship with Lakefront.

Declarations of Personal Interest should be raised in the first instance to the Line Manager and to Compliance & Ethics at Compliance@lakefrontbio.com.

Compliance & Ethics will provide advice in relation to managing the situation appropriately. Most Declarations of Personal Interest can be simply managed through such transparency alone. However, where needed for more complex situations, Compliance & Ethics will obtain additional input from Human Resources and/or Legal and advise appropriate remedial actions. Such actions will be proportionate to the circumstances but may include:

- Refusing or stepping back from a Personal Interest
- Formally agreed and documented engagement terms e.g. in a legal agreement
- Recusing yourself from certain Lakefront-related decisions e.g. the appointment of a vendor
- Reallocation of roles/responsibilities
- Disclosure of the Personal Interest

If you are in any doubt as to whether a declaration is required or have any questions about this topic, please contact Compliance@lakefrontbio.com.