

medine

**CONFLICTS OF INTEREST
& RELATED PARTY
TRANSACTIONS POLICY**

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CONFLICTS OF INTEREST & RELATED PARTY TRANSACTIONS POLICY

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CONFLICTS OF INTEREST & RELATED PARTY TRANSACTIONS POLICY

1. INTRODUCTION

The objective of the policy is to define the scope of conflicts of interest and related party transactions conducted by the Directors and Senior officers of Medine Limited and its subsidiaries (collectively "Medine"). A similar policy is applicable to all employees of Medine, including Senior officers.

This policy is posted on the Company's website: www.medine.com.

2. CONFLICTS OF INTEREST

Directors have a legal obligation to act in the best interest of the Company and should make their best effort to avoid situations where there may be a potential conflict of interest or situations where others might reasonably perceive there to be a conflict of interest.

The personal interests of a director, or persons closely associated with the director should not take precedence over those of the Company and its shareholders.

The aim of this policy is to protect both the Company and the individuals involved from any appearance of impropriety.

3. DEFINITION OF CONFLICTS OF INTEREST

Conflict of interest can be defined as any situation in which an individual or Company is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit. A conflict of interest occurs when an individual or organisation is involved in multiple interests, one of which could possibly create unfavorable influence for an act in the other.

4. GOVERNANCE

The Board is ultimately responsible for establishing and implementing appropriate policies on conflicts of interests and related party transactions and for administering the process for handling the transactions within Medine.

The Board exercises this responsibility through:

- Delegation of oversight questions relating to conflict of interest and related party transactions which may involve discussions with the auditors.
- The formal review and ratification of the Conflicts of Interest and Related Party Transactions Policy as applicable.
- Monitoring and reporting by Senior Management within Medine in respect of related party transactions.
- Regular review of related party exposure, including the Senior Management at the level of Medine.

CONFLICTS OF INTEREST & RELATED PARTY TRANSACTIONS POLICY

5. MANAGEMENT OF CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS

- Upon appointment, each Director will make a full, written disclosure of interests which will be handed over to the Company Secretary who will be responsible for maintaining an interests' register.
- It is the responsibility of each director to ensure that any interests be reported to the Company Secretary so as to be recorded in this register. Full and timely disclosure of any conflict, or potential conflict, must be made to the Board. This written disclosure will be kept on file and will be updated annually or as appropriate.
- In the course of meetings or activities, Directors shall forthwith after becoming aware of the fact that they are interested in a transaction or proposed transaction with the Company, disclose same to the Board and cause same to be entered in the interests register. If in doubt, the potential conflict must be declared anyway and clarification sought.
- Any Board member having a conflict of interest will not vote or use his or her personal influence on the matter and will not be counted in the quorum present at the Board meeting when the matter is discussed by the Board. The minutes of the meeting will reflect that a disclosure was made, and the abstention from voting.
- The Board has developed a corporate code of ethics that addresses issues that relate, inter alia, to conflicts of interest, particularly relating to directors and management.
- All transactions in which there are conflicts of interest with Board Members shall be agreed on terms that are customary for arm's length transactions in the Company's business. Decisions to enter into transactions in which there are conflicts of interest with Board members require the approval of the Board.

6. REPORTING

The following transactions with related parties of Medine should be automatically reviewed by the Corporate Governance Committee:

1. Any lease or purchase of Medine's land/real estate;
2. Any contract for the provision of goods and services outside agreed discount/benefit policy, which would involve amounts exceeding Rs 50,000.

APPENDIX

Definition of Related Party as per Medine's Board Charter:

A related party includes the following:

- (I) the Board members of the Company, its holding Company, affiliated or sister companies and associates;
- (II) a holding Company and any subsidiary or affiliated Company that is not wholly owned;
- (III) the CEO or Managing Director or General Manager, and key officers including anyone who directly reports to the Board or the CEO;
- (IV) any significant shareholder owning or controlling more than 5% of the voting shares having the ability to control, or exercise a significant influence on, the outcome of resolutions voted on by shareholders or governing Board members of the Company, its holding Company, affiliated or associated companies;
- (V) the father, mother, sons, daughters, husband, or wife of any of the natural persons listed in Clauses (i) to (iv);
- (VI) any business, and the governing Board members, CEO and key officers of any business, in which the natural persons listed in paragraphs (i) to (v) own jointly or severally at least 5% of the voting rights; and
- (VII) any person whose judgment or decisions could be influenced as a consequence of an arrangement or relationship between or involving themselves and any of the persons in paragraphs (i) to (vi).

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