

## **OOREDOO TUNISIE'S RELATED PARTY TRANSACTION POLICY**

### **1.0. Purpose**

A related party transaction is a deal or arrangement between two parties who have a pre-existing business relationship or common interest. For example, joint ventures. Although these types of transactions are legal, they can potentially create a conflict of interest or lead to an illegal situation. A related party relationship can have an effect on the net income and financial position of an entity.

### **2.0 Scope**

This policy applies to all Related Party Transactions involving the Company, its subsidiaries, and any of its affiliates.

### **3.0. Related Party Definition**

A Related Party includes:

- The chairman of the Company's Board of Directors or a Board Member.
- Its representative Director.
- Its Chief Executive Officer.
- its Assistant General Manager.
- One of the Company Directors.
- One of the individual shareholders holding directly or indirectly a fraction of the voting rights in excess of ten 10% percent.
- Company's Group (as defined in 475 of Tunisian Companies Code).
- A company controlling another company (as defined in 461 Tunisian Commercial Code).

### **4.0. Related Party Transaction Definitions**

#### **Related Party:**

- Includes individuals with control, joint control, or significant influence over the company, such as board members, executives, and significant shareholders (holding at least 5% of shares).
- Encompasses close relatives (up to second degree) of these individuals.
- Also includes legal entities controlled by these individuals or having business partnerships with the company.

**Related Party Transaction :**

- Refers to any transfer of resources, services, or obligations between related parties.
- Includes transactions regardless of whether a price is charged.

**Close Members of the Family:**

- Refers to family members who may influence, or be influenced by, an individual in their dealings with the entity.
- May include spouses, children, parents, siblings, and other close relatives.

**Compensation:**

Encompasses all employee benefits, including:

- Short-term benefits (wages, salaries, medical care)
- Post-employment benefits (pensions)
- Long-term employee benefits (long-service leave, sabbatical leave)
- Termination benefits

**Control:** The power to govern an entity's financial and operating policies to obtain benefits from its activities.

**Joint Control:** Contractually agreed sharing of control over an economic activity.

**Key Management Personnel:** Individuals with authority and responsibility for planning, directing, and controlling the entity's activities, including directors.

**Significant Influence :**

- The power to participate in an entity's financial and operating policy decisions, but without control.
- Can be gained through share ownership, statute, or agreement.

**5.0. Nature of Transactions****Arm's-Length Transactions :**

- Characterized by independent action and fair market pricing.
- Both parties act in their own best interests without undue influence from the other.
- Assures no collusion between buyer and seller.
- Involves equal access to information for both parties.

**Non-Arm's-Length Transactions :**

- Involve unconventional business terms compared to industry standards.

**Pricing:**

- **Arm's-Length Transactions:** Priced based on verifiable market data from similar transactions with unrelated parties.
- **Non-Arm's-Length Transactions:** Priced with discounts, lower margins, extended credit periods, or other relaxations. These relaxations require approval from the Managing Director (MD) and could be extended to any unrelated party under similar circumstances.

## 6.0. Independence & Objectivity

- **Board Oversight:** All approved Related Party Transactions are presented to the Board of Directors for review.
- **Independent Audit Review:** Board approval requires a report from the independent external auditor.
- **Audit & Risk Committee Review:** The Audit & Risk Committee reviews the details of all proposed Related Party Transactions before Board approval.
- **General Assembly Authorization:** The General Assembly authorizes Related Party Transactions based on audited reports.
- **Special Scrutiny for Non-Arm's Length Transactions:** Transactions not conducted at arm's length require separate Board consideration, with justification provided and reviewed by the Audit & Risk Committee.

## 7.0. Amendments

Any changes to this policy must be approved by the Board of Directors, following review and recommendation by the Audit & Risk Committee.