

# **AXXELA LIMITED (“COMPANY”) – SUMMARY OF THE RELATED PARTY TRANSACTIONS POLICY (“POLICY”)**

## **1. INTRODUCTION**

Related party transactions are well recognized features of commercial and business transactions and can be beneficial to a company. Such transactions may enable companies to advance their business in a cost-effective basis by leveraging on their existing relationships.

Axxela recognizes that while transactions between Axxela group companies and related parties could be beneficial, due to inherent conflicts of interest, such transactions have the potential to be unfair to Axxela group companies and their shareholders. It is therefore essential that all related party transactions involving any Axxela group company are conducted at arms' length. In addition, Axxela group companies are required to make public disclosure of certain related party transactions under applicable laws, rules, regulations and best practices.

In furtherance of Axxela's desire to maintain the highest level of corporate governance and international best practices, Axxela has developed the Policy. Beyond this summary, all employees are required to familiarize themselves with the Policy for fuller understanding.

Capitalised terms used but not defined shall have the meaning given to them in the Policy.

## **2. OBJECTIVES**

- i. related parties are properly identified;
- ii. full and adequate disclosure of Related Party Transactions are made;
- iii. to ensure a documented process for the proper valuation, review and approval of Related Party Transactions;
- iv. proper records are maintained of all Related Party Transactions;
- v. there is due and timely compliance with all applicable reporting and disclosure requirements governing Related Party Transactions; and
- vi. there is full compliance with all applicable laws and regulations governing related party transactions, including transfer pricing legislation.

## **3. RELATED PARTY TRANSACTIONS**

Directors and employees owe a duty to act always in the best interests of the Axxela group and to avoid situations which might affect their independence or judgment with respect to any transaction between any Axxela group company and a related party.

No director or employee shall perform services as a consultant, employee, officer, director, advisor or in any other capacity for a competitor or business partner of any Axxela group company without the prior written approval.

All relevant personnel shall, at the beginning of the financial year provide information regarding any entity in which he/she has interest as a director, officer or holder of substantial shares/security or a close family member of any such person by completing the declaration of interest form provided by the Legal & Governance department. In addition, relevant personnel are required to promptly inform the General Counsel & Company Secretary of any potential related party transaction which they become aware of subsequent to the annual declaration exercise.

Related party transactions between Axxela group companies shall be disclosed in their respective financial statements in accordance with relevant financial reporting standards.

#### **4. BREACH OF THE POLICY**

Any breach of this policy shall be investigated and dealt with in accordance with the Disciplinary Action Procedure of the Company after due consideration has been given to all of the relevant facts and circumstances surrounding the transaction.