



Related party transaction policy (the “RPT policy”)

Purpose of the RPT Policy

Related Party Transactions (as defined below) can present potential or actual conflicts of interest for the Company and may create the appearance that business decisions are based on considerations other than the best interests of the Company and its shareholders.

However, there are certain instances where Related Party Transactions may be in the best interests of the Company and its shareholders, including but not limited to situations where the Company may obtain products or services of a nature, quantity or quality that are not readily available from other sources, or on better terms to those that could be obtained in arm’s length dealings with unrelated third parties.

Further, there are situations where the Company may provide products or services to a Related Party (as defined below) on an arm’s length basis on terms comparable to those provided to unrelated third parties or on terms comparable to those provided to employees generally.

However, the overriding responsibility with regards to Related Party Transactions is that they must be dealt with and disclosed in accordance with the regulations of the capital markets.

With respect to “Concerned Parties”, the Board must include in its agenda any Related Party Transactions as an item on its own illustrating the importance of this. It must ensure immediate disclosure to the SCA and market on the resolutions reached by the Board regarding these Related Party Transactions provided that such disclosure contains details about the transaction such as the name of the conflicted Board member, the nature, conditions, terms, and amount of the transaction, as well as details of how the conflicted Board member is related to the other party; and list the details of these transactions in the annual financial report and presented by the Company’s external auditor at the Annual General Meeting.

Accordingly, du has adopted the procedures set out in this RPT Policy to provide a sound framework for the review and approval (or ratification) of Related Party Transactions.

Scope of the RPT Policy

This RPT policy applies to all Directors, members of the Executive Management Team and significant shareholders of du and any persons or entities related to them as set out in the definitions section below.

Who are Related Parties?

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to the Company ("Related Party") if directly, or indirectly through one or more intermediaries, the party:

- A. controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and any Group Company);
- B. has an interest in the Company that gives it significant influence over the Company; or
- C. has joint control of the Company
- D. the party is an associate of the Company, where an associate is an enterprise in which the Company has significant influence but not control or joint control;
- E. the party is a joint venture and the Company has joint control of the joint venture;
- F. the party is a member of the key management personnel of the entity or its parent;
- G. the party is a close member of the family of any individual referred to in (A) or (F), where a close member of the family includes, but is not limited to, the individual's spouse and children, the children of the individual's spouse and dependants of the individual or the individual's spouse;
- H. the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (F) or (G); or
- I. the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a Related Party of the Company.

What is a Related Party Transaction?

A Related Party Transaction is a transfer of resources, services or obligations between the Company and a Related Party, regardless of whether a price is charged.

What is a Material Related Party Transaction?

A Material Related Party Transaction is a Related Party Transaction determined by the Audit Committee to be potentially or actually significant to du. Generally speaking, the determination would include size, the parties involved and the reputational risks to the Company of non disclosure.

What are the approval procedures?

The Board of Directors has determined that the Audit Committee is best suited to determine whether Related Party Transactions are Material Related Party Transactions and to approve or disapprove any non-Material Related Party Transactions.

Approvals prior to the beginning of the financial year

At the beginning of each financial year the Chief Executive Officer or the Chief Financial Officer shall recommend and refer to the Audit Committee the Related Party Transactions that the executive management proposes should be entered into by the Company for that financial year, including the proposed aggregate value of such transactions, if applicable.

The Chief Executive Officer or the Chief Financial Officer shall ensure that the Audit Committee receives all documents and other relevant facts and figures that would enable the Audit Committee to reach an informed decision in respect of any proposed Related Party Transaction.

After review, the Audit Committee shall:

- (A) refer to the Board each Related Party Transaction that the Audit Committee determines is a Material Related Party Transaction, along with a recommendation of whether to approve or disapprove such Material Related Party Transaction; and
- (B) approve or disapprove each other Related Party Transaction.

The Board shall review and either approve or disapprove each Material Related Party Transaction that is referred to it by the Audit Committee.

At each subsequently scheduled meeting of the Audit Committee, the Chief Executive Officer or the Chief Financial Officer shall update the Audit Committee as to any material change in any Related Party Transaction that has been previously approved by the Audit Committee or the Board.

The Executive Management must also refer to the Audit Committee any Related Party Transactions preliminarily entered into by the executive management prior to the beginning

of the financial year subject to ratification by the Audit Committee or the Board, as applicable. If a Related Party Transaction is not ratified, the executive management shall take such steps as are reasonable to cancel or annul the transaction.

If it is not practicable or advisable to wait until the next scheduled Audit Committee meeting, the Chairman of the Audit Committee may use his discretion to allow the Chief Executive Officer or the Chief Financial Officer to obtain the Audit Committee's approval (or disapproval) by circulation.

If the Executive Management proposes that the Company enters into any further Related Party Transactions subsequent to the first meeting of the Audit Committee in the financial year, the Chief Executive Officer or the Chief Financial Officer shall, as soon as reasonably practicable, refer such transactions to the Audit Committee including the proposed aggregate value of such transactions, if applicable.

Interested Directors

A Director who is in any way interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Article 29(4) of the Company's Articles of Association.

A Director so interested shall not participate in any review, consideration or approval of the Related Party Transaction in question.

Considerations to be taken into account when reviewing a Related Party Transaction

The Audit Committee shall consider all of the relevant facts and circumstances available to the Committee including, but not limited to:

1. the benefits to du of entering into the transaction;
2. the extent of the Related Party's interest;
3. the availability of other sources of comparable products or services;
4. the extent to which the terms of the Related Party Transaction are less favourable than terms generally available in non-related transactions under like circumstances;
5. the value (aggregated if possible) of the Related Party Transaction; and
6. the impact on a Director's independence if the Related Party is a Director, an immediate family member of a Director or an entity in which a Director is a shareholder or of which a Director is a senior executive officer, Director, general partner, managing member or a person in a similar position.

Approval of Related Party Transactions

The Audit Committee (acting in good faith) shall approve only those Related Party Transactions that are in, or are not inconsistent with, the best interests of du and its shareholders.

The approval shall be by simple majority of the votes of those members of the Audit Committee present in person or by proxy.

The Chairman of the Audit Committee shall report, in writing, to the Board of Directors the approvals granted in respect of each Related Party Transaction.

The Audit Committee's written report should cover:

- (A) whether the terms of the transactions are fair to du and the extent to which the transaction is beneficial to du;
- (B) whether the transaction is material to du;
- (C) the role that the Related Party has played in arranging the transaction;
- (D) the structure of the transaction; and
- (E) the interests of all Related Parties in the transaction.

Ratification procedure

If du's Chief Executive Officer or Chief Financial Officer becomes aware of a Related Party Transaction that has not been previously approved or ratified by the Audit Committee in accordance with this RPT policy, the Chief Executive Officer or the Chief Financial Officer (as appropriate) shall inform the Audit Committee promptly of the details of that transaction.

The Audit Committee shall consider all of the relevant facts and circumstances available to it. The Committee shall evaluate all options open to the Company, including but not limited to ratification, amendment or termination of the Related Party Transaction.

Disclosure

The Audit Committee shall ensure that each Related Party Transaction is reported properly in the Company's financial statements in accordance with the applicable international accounting standards.

The Company Secretary shall use his/her best endeavours to comply with any requests for disclosure made by the SCA in respect of a particular Related Party Transaction.

Amendments to the RPT Policy

The Audit Committee shall review this Related Party Transactions policy at least annually and, if considered appropriate, propose amendments to the Board of Directors.

Breaches of the RPT Policy

Breaches of this RPT policy by a Director or a member of the Executive Management Team will be dealt with under du's disciplinary procedures.

Applicable regulatory framework

This RPT policy reflects the following laws and regulations as well as du's practice.

- (A) Code of Corporate Governance (Ministerial Decision No (518) of 2009 concerning Governance Rules and Corporate Discipline Standards);
- (B) Commercial Companies Law No 8 of 1984 (as amended); and
- (C) The Company's Articles of Association.

This policy was reviewed and approved by the Board of Directors on 3 June 2014.