



A MEMBER OF THE SAMEER GROUP



SAMEER AFRICA PLC

POLICY ON DISPUTE RESOLUTION

Revised 26.03.2025

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1. Introduction

In business relationships, conflicts and disputes are natural and inevitable. While they can stem from diverse perspectives, they should not be seen as detrimental but rather as opportunities for healthy debate and clarification of differing views. As directors are responsible for guiding the company, disputes can arise on various matters, such as corporate strategy, resource allocation, or performance assessment.

This policy establishes a framework for resolving disputes at the board level or within the company, ensuring that issues are addressed promptly and amicably, without hindering the continuity of operations or the governance of the organization.

2. Policy statement

Sameer Africa PLC is committed to resolving disputes in an efficient, cost-effective, and sustainable manner, ensuring minimal disruption to operations. The company emphasizes creating an environment where disputes are viewed as opportunities for positive change, rather than negative impediments to progress.

3. Purpose or objective

The policy provides a structured, proactive approach to managing and resolving conflicts at the board and management levels. The objective is to foster a collaborative and productive working environment that encourages open dialogue, innovation, and conflict resolution at the earliest opportunity.

4. Scope

This policy applies to the board of directors, management, employees, and key stakeholders of Sameer Africa PLC.

5. Sources of conflicts

While there's no documented cause for conflicts at the board or company level, in the course of normal running of a business or a boardroom transaction, the following issues could result to disputes:

- (a) Issues concerning the strategy of the company.
- (b) Board independence.
- (c) Issues concerning board evaluation and performance.
- (d) Lack of adequate planning for board meetings.
- (e) Lack of clear guidelines on the role of the directors and management.
- (f) Lack of program to guide what board will be transacting on.

- (g) The directors' need for information versus management providing too much or too little information.
- (h) The balancing of the company's short and long-term interests.
- (i) Transitional periods, such as those following a merger or acquisition in which a significant group of new directors has joined the board.
- (j) Disagreement or dissatisfaction with content and conduct of meetings.

6. Types of conflicts

More often than not, boardroom conflicts and disputes will take the following forms:

- (a) Dispute between directors.
- (b) Dispute regarding a board policy, process or procedure.
- (c) Dispute regarding a resolution of the board.
- (d) Dispute as a result of a conflict of interest.
- (e) Dispute with the management.
- (f) Dispute with stakeholders and
- (g) Dispute with the nomination and appointment procedure.

7. Resolving conflicts and disputes

To resolve disputes effectively, the board must ensure the following measures are in place:

a. Orderly Board Processes

This concerns the structure of board meetings and debates. The board should, therefore, come up with a sound process that defines how an agenda is to be deliberated on including timing and alignment to the business strategy.

b. Clarity in Roles

To avoid disputes with management, the board should ensure the policy on management and board functions is working as this will help define the role of each board member and the management as well as the chairman, board committees and the managing director.

c. Board Development

This refers to how new members of the board are inducted as well as improvement of the skills and knowledge of the existing members according to their needs. This is to ensure that the board understands clearly what is

expected of them and ensure their skills matches the requirements of the business.

d. Sharing of Information

To enable the board to make informed decisions, management should ensure the flow of material information is seamless and accurate, otherwise, this could impact on their relationship leading to an ineffective board.

e. Board Culture

The chairperson of the board should encourage the development of a culture of tolerance to other views and respect to one another so as to facilitate divergent views.

f. Incorporate ADR into the Company's Culture and Practice

Since board and company disputes are always happening, the board should encourage the incorporation of alternative dispute resolution to the corporate culture as they can be more effective unlike court processes that are not only time consuming but also can be damaging to the company's reputation due to the lack of confidentiality in their nature. This is so because ADR:

- (a) Provides a framework to negotiate and share mutual future interest.
- (b) Preserves long term friendship.
- (c) Provides for confidentiality as compared to a court process.
- (d) Provides for quick disputes resolution as compared to lengthy court proceedings.

g. Alternative Dispute Resolution (ADR)

- i. **Negotiation:** Negotiation is an interactive process where two or more parties with differing interests work together to reach a solution that benefits all parties more than if they acted alone
- ii. **Mediation.** is a voluntary and confidential process in which a neutral third party, the mediator, helps the disputing parties reach a consensus-based agreement, which may be enforced as a contract.
- iii. **Arbitration.** involves parties choosing an impartial arbitrator to resolve the dispute, with the understanding that the arbitrator's decision, based on the merits of the case, will be final and binding.

- iv. **Conciliation** is a type of mediation whereby the parties to a dispute use a neutral third party (a conciliator), who meets with the parties separately to resolve their differences. Conciliation differs from arbitration in that the conciliation process, in and of itself, has no legal standing, and the conciliator usually has no authority to seek evidence or call witnesses, usually writes no decision, and makes no award. Conciliation differs from mediation in that the main goal is to reconcile, most of the time by seeking concessions. In mediation, the mediator tries to guide.
- v. **Ombudsman** is a third party who will be selected by the board. The ombudsman's work is to investigate the complaints independently and impartially. The process is voluntary, private and nonbinding.

Formal dispute process may not be effective and thus, ADR can be utilized as it has some advantages for instance;

- a. **Cost-effective:** ADR is often less expensive than traditional litigation because it generally takes less time.
- b. **Timesaving:** Disputes can be resolved more quickly than in a courtroom setting.
- c. **Confidentiality:** ADR processes like mediation and arbitration can be kept confidential, unlike court trials, which are usually public.
- d. **Control:** Parties have more control over the process, especially in mediation and negotiation.

8. Preservation of relationships

Since ADR techniques focus on collaboration and mutual benefit, they tend to preserve professional and personal relationships.

9. Criteria to consider for Dispute Resolution

The following factors should guide the resolution process:

- **Finality of the solution:** Ensuring that the dispute resolution results in a clear and final outcome.
- **Impact on future relations:** Ensuring the process fosters ongoing positive relationships.
- **Speed:** Resolving conflicts quickly to prevent disruption to the company's operations.

- **Transparency:** Maintaining clear and open communication throughout the resolution process.
- **Effect on stakeholders:** Considering the wider impact on shareholders, employees, and other stakeholders.
- **Satisfaction with outcome:** Ensuring all parties are satisfied with the final resolution.
- **Transaction costs:** Ensuring the resolution process is cost-effective.

10. Dispute with other Companies or Institutions

In the case of disputes with external companies or institutions, Sameer Africa PLC will utilize the following steps for resolution:

- **Face-to-Face meetings:** Direct engagement with key individuals.
- **Directors' involvement:** Ensuring senior leadership is involved in resolving the dispute.
- **Written submissions:** Formal written communication outlining the dispute and proposed solutions.

Legal action will be considered a last resort, and only with the approval of the board.

11. Speedy resolution of disputes

The chairperson shall encourage speedy resolutions of conflict without resulting in a lengthy arbitration process.

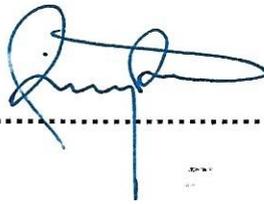
12. Mechanisms to avoid re-occurrence of disputes

The board shall put in place mechanisms to ensure that the disputes once resolved do not re-occur on case by case basis. Management shall be tasked with the implementation of the mechanisms.

13. Review of this Policy

This policy shall be reviewed and updated every three (3) years or as necessary by the Nomination and Remuneration Committee as and when significant changes occur in the business environment, legal framework, or governance best practices.

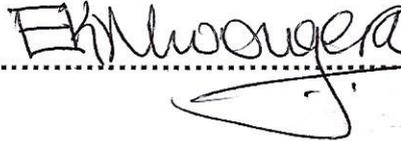
MANAGING DIRECTOR.....



CHAIRPERSON: NOMINATION & REMUNERATION COMMITTEE

Patricia Kinane

BOARD CHAIRMAN.....



DATE.....

11th March 2025