

**LUX ISLAND RESORTS LTD
(LIR)**

CODE OF ETHICS

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INTRODUCTION

Lux Island Resorts Ltd (LIR) is a public company incorporated under the laws of Mauritius and listed on the Stock Exchange of Mauritius.

Lux Island Resorts Ltd (LIR) is a property holding company that owns and operates the following hotels in Mauritius, Maldives and Reunion Island.

In Mauritius

LUX* Grand Baie

LUX* Belle Mare

LUX* Le Morne

LUX* Grand Gaube

Ile des deux cocos

Tamassa under a Sales and Leaseback Agreement

In Maldives

LUX* South Ari Atoll

In Reunion

LUX* Saint Gilles

This Code applies to LIR and its current and future subsidiaries.

All employees of the above-mentioned properties are employed by LIR or its subsidiaries (collectively referred to as 'The Group').

The Board of Directors of LIR and its subsidiaries, as part of their commitment to moral conduct, integrity, ethical behaviour and spirit of law endorses the present Code of Ethics for the Group.

The Group is expected to comply with this Code and all applicable government laws, rules and regulations in their country of operation. If a provision of the Code conflicts with an applicable law, the law prevails.

Values and ethics are the bedrock of the principled culture. They shape how the Group govern, do business and interact with people, partners and competitors. The Group value integrity, fairness, honesty, trustworthiness and respect.

This Code applies to all employees and Board Members of the Group (collectively referred to as 'Officer' or 'Officers').

Regarding Board Members, this Code is complementary to their Directors Duties and the Governance Charters.

Regarding employees, this Code is complementary to their employment contract. Managers of the Group and heads of department are responsible for making this document known to, promote it and monitor its compliance in their respective teams. Every employee in every hotel, regardless of his or her individual role or position, must respect the values and ethics when working for or representing the Group. The Group's business partners and suppliers are also encouraged to act in a way that is consistent with this Code.

Failure to abide by this Code may lead to disciplinary actions.

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1. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Officers should adhere to all applicable laws, regulations, principles and standards in their country of operation and should be aware that compliance with such laws, regulations, principles and standards is the basis of sound business conduct.

2. CONFLICT OF INTEREST

A conflict of interest exists when a person's private interests interfere with his/ her ability to make objective business decisions or work effectively on behalf of the Group.

Officers shall not take part in, or seek to influence, any decision under circumstances that can give rise to an actual or perceived conflict of interest. Such circumstances may be, but are not limited to, a personal interest (economic or otherwise) directly or through someone who is a family member or closely related to the Officers.

There should be no case of conflict of interest in the dealings of the Officers with customers, contractors, colleagues and any stakeholder. Any actual or potential conflict of interest should be immediately disclosed by the Officers to their respective hierarchy.

Officers shall always consult with and get approval from their respective hierarchy before engaging in any activity that may promote or be perceived to promote the interests of a competitor, customer or supplier at the detriment of the Group's interests – this includes serving on a Board of Directors of such company. Officers shall never act in competition with the Group's business activities or otherwise, in contravention with the Group's interests.

3. DEALING WITH CONFLICT OF INTEREST

3.1 In case of an employee

Any actual or potential conflict of interest in the case of an employee should be immediately disclosed by the employee and reported to the head of department or the Chief Internal Auditor.

If an employee becomes aware of a potential or perceived conflict of interests involving a colleague, same shall be immediately reported to the head of department or the Chief Internal Auditor.

3.2 In case of a director

Mauritius has a relatively small pool of professional directors and a highly interconnected business community. This does not mean that directors cannot sit on boards of different companies involved in similar lines of business activities. However, it increases the likelihood of situations of actual or potential conflicts of interest occurring. Such situations should be properly monitored and addressed by the Board in consultation with its respective sub-committees as the case may be.

Conflicts of Interest of directors must be dealt with in accordance with **Sub Part E of Part XI – Directors and their powers and duties** of the Companies Act 2001, in particular s147 and s148, and the constitution of the Company.

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4. CORPORATE OPPORTUNITIES

Officers **should not**, without the consent of the Chief Executive Officer or the Board of Directors as the case may be:

- 1) take for their own personal account, business opportunities arising from the use of the Group property, information or their position within the Group
- 2) use the Group property, information or their position for personal gain
- 3) compete with the Group directly or indirectly

5. USE AND DISCLOSURE OF CONFIDENTIAL INFORMATION

Officers should not disclose any information without proper permission from the Management or the Board of Directors as the case may be. Any information obtained, during the course of one's duties, should be adequately safeguarded, according to data protection laws. The protection of confidential information extends to confidential information obtained from customers, partners, contractors and suppliers.

Confidential information is any information which would be considered private, which is not of common knowledge to the general public and to which the Officers have gained access only as a result of his/ her employment / tenure with the Group.

In addition to the above, a director must comply with s153 of the Companies Act 2001.

6. GIVING AND RECEIVING GIFTS

Giving or receiving gifts or other favours is prohibited.

Officers may however accept gifts in so far as they are of modest value, they are given in conjunction with the end-of-year celebration, or any other special occasion and they consist of marketing items distributed to a wide business audience. The concept of "modest value" may be relative but as an indication, will fall within the scope of a simple calculator, diary or calendar and should not have a monetary value exceeding Rs 1,000. The granting or receipt of items falling outside the concept of "modest value" will have to be put into a pool and shared equitably to all the employees within the department/section.

Officers should not offer any gift or favour to anyone in order to influence that person in the way that he/she does the job and never offer any payment to anyone, in order to exert any influence on the way that person does business.

Officers should be aware that while moderate business entertaining is acceptable, they must be guarded against hospitality that appears to be aimed at influencing the way someone does his/ her job. Officers should turn down invitations to meals or events that are excessive in nature or frequency, in order to avoid loss of objectivity when conducting the Group's business. Officers must always strictly abide by the entertainment policy of the Group.

7. BRIBERY AND CORRUPTION

The Group shall not tolerate any form of corruption and bribery, whether active or passive, direct or indirect.

Officers shall never, in order to obtain or retain business or other advantage in the conduct of business, offer, promise or give anything of value or an undue advantage to a public official, private party or to any third party to influence such person to act or

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refrain from acting in relation to the performance of his/ her duties. This applies regardless of whether the advantage is offered directly or through an intermediary.

In addition, Officers shall not, in the conduct of their jobs, request, accept or receive any improper advantage that may influence their behaviours and decisions. Consequently, Officers shall be protected from any sanctions when refusing to participate in any action that is or can be perceived as an act of corruption, bribery or facilitation payment.

8. SAFEGUARD AND PROPER USE OF GROUP ASSETS

Group property includes but is not limited to company cars, cell-phone, laptop, iPad and any other material granted to the Officers in the course of business and **remains at all times the property of the Group.**

Collectively, Officers have a responsibility for safeguarding and making proper and efficient use of the Group's property.

Officers should report any situations or incidents that could lead to theft, loss, misuse or waste of the Group's property.

In case of company cars, as a matter of principle, no one but the Officer to whom the vehicle has been made available is allowed to drive the car, unless the Officer has made a specific written request to the Chief Executive Officer of the Group. Even when such prior approval has been obtained, the other person authorised to drive the vehicle should only do so in emergency situations or as a last resort. Disciplinary action may be taken against the Officer who break this rule. The vehicle when not in use by the Officer should be made available to the Group related matters.

In case of accidents, the following will apply:-

- If the Officer is not liable for the accident, the Group will pay for all repairs.
- If the Officer is liable for the accident, the excess amount insured will be payable by the Officer
- All fines will be paid by the Officer

If the Officer is travelling overseas, the vehicle should be left at a place specified by the Group.

The Group relies on the Officer full co-operation to take good care of the vehicle, even though the Group pays for all servicing.

9. PERSONAL CONDUCT AND ETIQUETTE

Personal conduct whether on or off duty that adversely affects the image or reputation of the Group is not acceptable.

10. PROPER ACCOUNTING AND DOCUMENT RETENTION

Employees of the Group are responsible for maintaining all records in an accurate manner and in accordance with all applicable laws, regulations, principles and standards.

All financial statements and books, records and accounts of the Group must accurately reflect transactions and events and conform both to legal requirements, accounting principles and to the Group's system of internal accounting.

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11. DEALING WITH AUDITORS

Officers shall not make false or misleading statement to any internal auditor or investigator or any external auditor or investigator engaged by the Group during the performance of their duties.

12. REPORTING ILLEGAL OR UNETHICAL BEHAVIOUR

Officers are encouraged to report promptly on any inappropriate practices or actions according to the guidelines enclosed in the Whistleblowing Policy.

13. INFORMATION SYSTEMS POLICIES

Officers should comply with the rules set out in the Information Systems Policy.

14. RESPONSIBILITIES TO THE COMMUNITY

Officers are committed to sustainable development and will comply with the law in matters concerning the environment.

Officers may participate in Community and Civic affairs of the community where they operate.

Officers shall always behave in public or private as role models for the Community.

Company contributions to political organisations or electoral candidates shall be disclosed in the Group's financial statements according to the requirements of the law.

15. RELATIONS WITH CONTRACTORS AND SUPPLIERS

Officers shall maintain the reputation of the Group by meeting the highest standards of ethical conduct in the dealings with contractors and suppliers.

Officers shall ensure that the hire of services and the purchase of goods are based solely on price, quality, service and need.

Officers shall make sure that the procurement of supplies and services are done to the highest ethical standards, including fairness and transparency, that assure a quality end product and the continued confidence of customers, suppliers and the public.

Officers shall not accept any gift/ commission/ favour from any supplier/ contractor in order to maintain total impartiality in all dealings with the latter.

16. RESPONSIBILITIES TOWARDS STAKEHOLDERS AND GOVERNMENT OFFICIALS

Officers shall ensure that there is transparency in all the dealings with stakeholders in the course of doing business.

Dealings with governments and official authorities must be open and above suspicion. Statements and declarations to bodies such as Customs Authorities, Consultants and Banks must be true and correct. Any payment must be made in line with the prevailing rules, regulations and applicable laws and accounting for receipt and disposal of funds must be in accordance with the facts.

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17. RECRUITMENT AND EMPLOYMENT PRACTICES

The Group is an equal opportunities employer and is committed to respect the human rights of all individuals potentially affected by its activities, in line with its Equal Opportunities Policy and Human Rights Policy.

The Group shall not tolerate any form of harassment or discrimination on the basis of gender, religion, race, national or ethnic origin, cultural background, social group, disability, sexual orientation, marital status, age or political opinion. The Group shall provide equal employment opportunities and treat all Officers fairly and with due respect.

The Group shall make sure that it complies with all occupational health and safety laws and ensure there is a good and safe working environment for all its Officers.

18. INSIDER TRADING

It is illegal to use non-public information to make personal investment decisions to buy, sell or trade in securities. This is considered insider trading and applies to all Officials who have access to non-public information about the Group. The ban on insider trading includes using non-public information to recommend investment decisions or to provide it to others to assist them in their investment decisions.

19. RESPONSIBILITY FOR APPLICATION OF THIS CODE OF ETHICS

This Code is not intended to be a comprehensive rulebook and cannot address every situation that Officers of the Group may face.

Managers and heads of department are strictly accountable for the application of this Code of Ethics within their operation/ business unit/ department and shall contact their hierarchy whenever for training, support or in case they are in any doubt about any part of this Code.