

MEDICAL DISPOSABLES AND SUPPLIES LIMITED

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| NAME OF POLICY | Disclosure Policy |
| APPROVED BY | Board of Directors |
| DATE | May 25, 2015 |
| ORIGINAL APPROVAL DATE | |
| REVISION NUMBER | |

Approved by the Board of Directors on the 28TH of July 2016



Chairman of the Board

DISCLOSURE POLICY

1. POLICY STATEMENT

This Policy is intended to raise awareness of the approach of Medical Disposables and Supplies Limited (hereinafter "the Company") to disclosure by members of the Board of Directors ("Board"), senior management, employees and others who have undisclosed material information about the Company. Material Information is any information relating to the business and affairs of the company that results in or would reasonably be expected to result in a significant change in the market price or value of the company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. Material information includes both material facts and material changes and could include quarterly financial results, acquisitions of new assets, issues of new equity or debt, etc.

The Policy aims to ensure that information disclosed by the Company to shareholders and the public is timely, accurate, comprehensive, authoritative and relevant to all aspects of the Company's operations while at the same time consistent with all legal requirements. Adherence to this policy is intended to provide an effective and efficient framework to facilitate the timely dissemination of material information to the investing public in the spirit of full disclosure and in compliance with the disclosure regulations of the Jamaica Stock Exchange on which the Company's shares are listed, and the Financial Services Commission. The policy has been developed in accordance with applicable provisions of the laws of Jamaica and the Company's Articles of Incorporation.

The company believes in the fundamental principle that all potential investors in the Company, and holders of the Company's securities need to have timely and factual information that could affect their investment decisions.

This Policy covers all officers and employees of the Company, its Board of Directors and those persons authorised to speak on its behalf. It relates to all shareholder documents, including quarterly and annual reports, press releases, communications with shareholders, investor briefings, information posted to the Company's website and in other electronic channels, interviews with the media, speeches and press conferences.

The General Manager (GM) of the Company shall be responsible for ensuring the adherence to and compliance with this Policy.

2. OBJECTIVES AND PRINCIPLES OF DISCLOSURE

2.1 The goal of disclosure is to provide information for interested parties and shareholders in order to assist them in making informed decisions or taking actions.

2.2 When disclosing information, the Company shall be guided by the principles of accuracy, accessibility, timeliness, completeness, and regularity, and additionally, will seek to maintain a reasonable balance between the transparency of the Company and the protection of its commercial interests while complying with relevant provisions of the laws of Jamaica, the Articles of Incorporation, and the Rules of the JSE.

2.3 The Company shall not avoid the disclosure of negative information if such information is considered material or essential for shareholders or potential investors.

In accordance with JSE rules, the following developments will require prompt disclosure:

External factors having a material impact on the company

- Changes in government policy that targets the Company (as against the sector or sub sector)

Changes in Corporate Structure

- Changes in share ownership that may affect control of the Company

- Takeover bids, mergers, amalgamations or other reorganisations

Changes in Capital Structure

- Public or private sale of additional securities
- Planned repurchases or redemptions of securities
- Planned splits of common shares
- Share consolidations, exchanges or the payment of dividends
- Changes in the company's dividend policy
- Material modifications to the rights of security holders

Changes in Financial Results

- Unexpected changes in financial results for any periods
- Changes in the value or composition of the Company's assets
- Material changes in the Company's accounting policy

Changes in Business and Operations

- Developments that have a material effect on the Company's resources, technology, products or markets
- A significant change in capital investment plans or corporate objectives
- Major labour disputes or disputes with major contractors or suppliers
- Significant new contracts, products, patents or services or significant losses of contracts or business
- Changes to the board of directors or executive management, including the departure of the Company's Managing Director, (MD) General Manger (GM) or Financial Controller (FC).
- The Commencement of, or developments in, material legal proceedings or regulatory matters
- Any notice that reliance on a prior audit is no longer permissible
- De-listing of the Company's securities

Acquisitions and Dispositions

- Significant acquisitions or sale of assets, property or joint venture interests
- Acquisitions of other companies, including a take-over bid for or merger with another company

Changes in Credit Arrangements

- The borrowing or lending of a significant amount of money
- Any mortgaging or encumbering of significant assets
- Defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditor
- Significant new credit arrangements.

4. PERSONS AUTHORISED TO MAKE DISCLOSURES ON BEHALF OF THE COMPANY

4.1 The following representatives of the Company shall be authorised to disclose information to interested third parties such as the Jamaica Stock Exchange, shareholders, investors, the public, the mass media and government representative:

- a. The Chairman;
- b. The MD
- c. The GM
- d. The FC, and
- e. The Mentor (for communication with the Jamaica Stock Exchange only)

- 4.2 In order to ensure a uniform and consistent disclosure policy, authorised persons may also designate other persons to act on their behalf and respond to any inquiries, under extraordinary circumstances. However, no person other than the Company's duly representatives may comment upon or answer any questions, or respond to any inquiries regarding the Company's business activities, without special authorisation or order of an authorised person.
- 4.3 The Chairman, MD or the GM or an authorised representative designated by one of these Officers shall be the only persons authorised to make public statements that may have a significant impact on the Company's business activities and/or the value of its securities.
- 4.4 If any employee of the Company participates in any public event, as part of his or her official or other duties, such employee shall ensure that any disclosure of information regarding the Company is made in strict compliance with the Company's disclosure policy and with the prior approval of an authorised person.
- 4.5 Authorised persons shall be fully informed regarding the Company's business activities that might be also of interest to the business community. The communications of the authorised persons shall be directed, coordinated and controlled by the Company's GM.
- 4.6 Employees or directors who are not authorised spokespersons or designated as a spokesperson for a specific event shall refer all inquiries from the media and financial community to the GM. In situations where inadvertent contact occurs, the employee or director shall immediately report the contact and the matters discussed directly to the GM to determine, in consultation with the other Disclosure Policy Participants as appropriate, whether any inadvertent disclosure of material non-public information was made. In the event that a Company representative inadvertently discloses material non-public information, the Company will publicly disclose this information as soon as reasonably practicable after discovery (but in any event no later than 24 hours after discovery and before the market opens the next trading day).
- 5. PARTIES AND RULES FOR THE DISCLOSURE OF INFORMATION**
- 5.1 The GM shall be responsible for the organisation, accuracy, and timeliness of disclosure, and for filing reports with the relevant governmental authorities. The GM shall also be responsible for providing information about the Company to its shareholders, creditors and other interested parties.
- 5.2 The FC, in coordination with the GM, shall ensure the:
- a. Timely disclosure of information contained in the securities prospectuses and quarterly reports of the Company, and information regarding material events affecting the Company's business and financial operations; and,
 - b. Safekeeping of the Company's documents that are subject to mandatory storage, control access to these documents and provide copies, where requested. Copies of these documents shall be certified by the Company Secretary.
- 5.3 The Chairman, MD, GM and other authorised persons shall always have complete information on all aspects of the Company's business activities for one or more of the following purposes:
- a. Determining whether such information meets the disclosure requirements, whether it is material, and whether it may be disclosed at that particular time or should be treated as confidential;
 - b. Ensuring the proper understanding of the current operations of the Company that may be of interest to investors; and
 - c. Preventing situations where the Company might inadvertently deny the occurrence of any significant events, despite the fact that they actually occurred.

- 5.4 In addition to mandatory disclosure requirements, the Company shall prepare and disclose information regarding its:
- a. Board Charter (Corporate governance policy);
 - b. Code of Ethics for Directors and staff of the Company
 - c. Corporate social responsibility and environmental policies of the Company;
 - d. Shareholders who own five per cent or more of the Company's shares, including information on indirect (beneficial) ownership;
 - e. Directors and Officers
- 5.5 In addition to the means of disclosure required by law, the Company shall:
- a. Publish information about the Company, on proposed presentations by the Company's officers and interviews with them in the mass media;
 - b. Conduct meetings and press conferences with the media, shareholders, potential investors and other market participants, as necessary;
 - c. In addition to the disclosures required by law, disclose additional information on the Company's website;
 - d. Issue press-releases; and,
 - e. Conduct any other means of disclosure as established by the GM and the board of directors of the Company.
- 5.6 The Company shall publish on its website all significant announcements and materials. The Company's website shall, at a minimum, contain the following information:
- a. Annual reports, including the annual audited financial statements;
 - b. Quarterly releases on unaudited financial statements to shareholders and the Jamaica Stock Exchange
 - c. Securities prospectuses;
 - d. Information on material facts
- 6. PUBLIC INFORMATION**
- 6.1 Public information in the securities market shall mean information, access to which is not restricted in any way, and the disclosure of which is required by the Jamaica Stock Exchange.
- 6.2 Public information shall include:
- a. The Company's Articles of Incorporation, as amended;
 - b. The Policies of the Company
 - c. The external auditor's reports and opinions;
 - d. Annual financial statements prepared in accordance with the International Financial Reporting Standards ("IFRS");
 - e. The Annual Report of the Company;
 - f. Information about the securities, and the financial and business operations of the Company;
- 6.3 The board shall prepare the Annual Report of the Company for presentation at the Annual General Meeting. In addition to statutory information, the Annual Report of the Company shall contain the following:
- a. The Company's Mission, Core Values and Vision
 - b. The beneficiary ownership structure
 - c. Members of the Board and Key Executives
 - d. A Management Discussion and Analysis (MD&A) that includes commentary on the following:
 - i. Liquidity and capital resources
 - ii. Effect of transactions involving related parties
 - iii. Results of operations: analysis of the Company's profitability, net profit information, including total net profit, net profit from the Company's

- principal activities, and net earnings per share; the percentage of export revenue over the year;
 - iv. Risk management
 - v. Present and future prospects for the company
 - e. A statement on the corporate governance system and main corporate governance events during the year, including
 - i. The structure, role and functions of the board including the balance of independent, executive and non-executive directors, and whether any of the non-executive directors have any affiliations (direct or indirect) with the Company.
 - ii. The composition and functions of any committees, their general terms of reference and their chairs
 - iii. The existence of a code of ethics;
 - iv. The types of development and training that directors undergo at induction as well as the training directors received during the reporting period;
 - v. How the board has evaluated its performance and how the results of the appraisal are used;
 - vi. The mechanism for setting directors' remuneration and its structure;
 - vii. The nature of succession planning for key executives and board members to illustrate that there is a strategy for continuity of operations;
 - viii. The formal procedures for addressing conflicts of interest affecting members of the board and disclosure of conflicts, if any, that arose during the course of the reporting period;
 - ix. The selection and approval process for the external auditor; prescriptive requirements of audit partner rotation, the duration of the contract of the current auditor, whether auditors do any non-audit work and what percentage of the total fees paid to the auditor involves non-audit work;
 - x. The scope of work and responsibilities of the internal audit function and the highest level within the Company's leadership to which the internal audit function reports.
 - f. A report on the Company's human resources;
 - g. A report on the company's Corporate Social Responsibility policy and CSR activities;
 - h. Information regarding the compensation packages for senior executives;
 - i. The process for holding and voting at annual general meetings and extraordinary general meetings, as well as all other information necessary for shareholders to participate effectively in such meetings.
- 6.4 The Annual Report shall be subject to prior approval by the board based on the external auditor's opinion. The annual report shall be approved at least 90 days before the date of the annual general meeting.
- 6.5 The Company shall publish audited annual financial statements not later than 120 days following the end of the reporting year.
- 6.6 The Company shall disclose public information on its website: www.mds.com
- 7. INFORMATION PROVIDED TO SHAREHOLDERS**
- 7.1 All shareholders shall have the right to review the documents listed in Article 6 above, at the registered address of the Company, located at: 85 Hagley Park Road, Kingston 10. The Company shall provide copies of any such documents upon request of any shareholder.
- 7.2 The Company Secretary shall be required to verify the share ownership of any person requesting information.
- 7.3 The documents shall be made available for inspection free of charge within seven calendar days after the date of the request.

8. CONFIDENTIAL INFORMATION

- 8.1 Trade secrets or confidential information shall mean any non-public information about the Company having actual or potential commercial value because of the fact that it is unknown to third parties. There is no legal right to free access to such information, and the possessor of such information shall be responsible for taking steps to protect its confidentiality.
- 8.2 The Company shall take all necessary steps and actions to protect its trade secrets and confidential information.
- 8.3 The following persons shall have access to confidential information:
- a. The Chairman;
 - b. Board members;
 - c. The MD;
 - d. The GM;
 - e. The FC;
 - f. The Company Secretary; and,
 - g. The Mentor
- 8.4 The Chairman, MD and the GM of the Company shall have the right to make changes and amendments to the list of persons having access to confidential information.
- 8.5 Persons having access to confidential information shall not use such information for entering into any business transactions, nor shall they disclose such information to third parties for commercial use.
- 8.6 Persons who have illegally acquired the Company's trade secrets or confidential information shall reimburse the Company for any losses incurred. The same shall apply to the employees of the Company who have disclosed confidential information in violation of their employment contracts, and to any other contracting parties disclosing such information in violation of their contractual agreement.

9. INSIDER INFORMATION

- 9.1 Insider information shall include any material non-public information about the business activities of the Company, its shares and any other securities, as well as any transactions with these securities, which, if disclosed, might materially affect the market value of these shares or other securities of the Company.
- 9.2 Information that meets the following criteria shall be considered insider information:
- a. Information that directly relates to the Company as well as the business prospects of the Company;
 - b. Information of a specific nature;
 - c. Any non-public information; and,
 - d. Information that, if published, might significantly affect the price of any of the Company's securities.
- 9.3 Any individual or legal entity that has access to insider information pursuant to any law or regulation, job description or other internal regulation of the Company, shall be deemed an insider.
- 9.4 The following persons shall be considered insiders:
- a. Members of the board and any other Company executives;
 - b. Persons employed by the Company in any official or professional capacity pursuant to an employment contract, and having access to insider information pursuant to the terms of such contract; and
 - c. The spouses and close relatives of the persons listed herein;

- d. Legal entities affiliated with any of the aforementioned persons or legal entities;
 - e. The Company's Mentor.
- 9.5 Insiders shall be prohibited from disclosing insider information or from engaging in any transactions using insider information.
- 9.6 The procedures for the appropriate handling and use of insider information shall be established by the board.
- 9.7 The GM shall be responsible for ensuring compliance with applicable laws and any special requirements provided for in the Company's articles of incorporation and its charters, policies and other internal documents to prevent conflicts of interest and to prevent the improper use of insider information by the employees and business units of the Company.

10. REVIEW AND UPDATE OF THE POLICY STATEMENT

This policy shall be reviewed every three (3) years by the Board of Directors to ensure that:

- The business continues to meet its compliance obligations in respect of the policy
- The policy maintains its relevance in light of the applicable rules of the Jamaica Stock Exchange, as well as the current and future business environment

The Company's General Manager is responsible for undertaking the technical review of this policy statement and associated company policies.