



**CORPORATE GOVERNANCE &
CONDUCT REVIEW COMMITTEE**

TERMS OF REFERENCE

A. CONSTITUTION

The Board of SBM Bank (Mauritius) Ltd (“Bank”) has established the Corporate Governance & Conduct Review Committee (“the Committee” or “CGCR Committee”) to ensure that the Bank’s policies on corporate governance are in accordance with the applicable laws and regulation and that sound governance principles are adopted across the Bank.

B. COMPOSITION

The Board of the Bank must appoint a minimum of (3) three and a maximum of (7) seven Directors to be Members of the Committee. The Members of the Committee will be selected by the Board and shall be composed of at least 3 (three) independent Non-Executive Directors of the Board. The Chairman of the Committee shall be an independent or non-executive Director.

The CEO shall be a Member of the Committee.

Only Members of the Committee have the right to attend the Committee meetings. However, the Committee may invite the executive directors of the Board and other non-Member to attend all or part of any meeting as and when appropriate and necessary.

C. SECRETARY

The Company Secretary or his/her nominee, shall be the secretary of the Committee and will ensure that the Committee received information and papers in a timely manner to enable full and proper consideration to be given to issues.

D. QUORUM

The Quorum of the Committee shall be four (4) Members.

E. RESPONSIBILITIES

The Committee is responsible for performing the duties set out below as well as any other duties that are otherwise applicable by law or regulations, or delegated to the Committee by the Board.

The main duties of the Committee are to:

- a) Advise the Board on all aspects of corporate governance and recommend the adoption of best practices as appropriate for the Bank;
- b) Determine and develop the Bank’s general policy/approach on corporate governance in accordance with the applicable Code of Corporate Governance and best international practices;
- c) Review the corporate governance report to be published in Bank’s annual report;
- d) Ensure that disclosures are made in the annual report in compliance with the Companies Act, Corporate Governance Code and any other applicable laws;
- e) Report any breach of the Corporate Governance Code to the Board of the Bank for any remedial action;
- f) Review any statements on ethical standards or requirements for the Bank and assist in developing such standards and requirements;
- g) Give recommendations on situations involving any breach of the Bank’s Code of Ethics;
- h) Monitor developments in the area of corporate governance and recommend initiatives to maintain the highest standards of corporate governance;
- i) Ensure accurate disclosure of directors’ remuneration;
- j) Report periodically to the Board of directors on all significant matters it has addressed and/or reviewed that are within its responsibilities; and

F. REPORTING AND ACCOUNTABILITY

The Committee will regularly report to the Board, at least on a quarterly basis, on all significant matters it has addressed and with respect to such other matters that are within its responsibilities. In addition it will oversee the preparation of and review the disclosures with respect to the Bank's corporate governance policies and practices included in materials sent to the shareholder.

The Chairperson (or, in his/her absence, an alternate Member) of the Committee shall attend the annual meeting to answer questions concerning matters falling within the ambit of the Committee.

G. AUTHORITY

The Committee has authority to conduct any matters under the scope of its responsibility. The Committee, in carrying out its tasks under these Terms of Reference, may obtain such outside or other independent professional advice as it considers necessary.

H. REVIEW

The Committee will review the Terms of Reference at least annually and submit it to the Board for approval together with such amendments as it deems necessary and appropriate in the light of the Bank's requirements as well as any legal and regulatory developments.

I. ASSESSMENT

At least annually, the Board, acting through the Committee, will assess its effectiveness in fulfilling its responsibilities and duties as set out in the Terms of Reference and in a manner consistent with the Corporate Governance Codes, policies and guidelines adopted by the Board.

J. CHAIR

Each year, the Board on the recommendation of the Committee will appoint one Member to be its Chair. If, in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed.

K. MEETINGS

1. Voting:

- Decisions shall be taken by Majority of Votes.
- Any dissent from the Members should be minuted.

2. Frequency:

- The Committee will meet on a quarterly basis, however adhoc meetings may also be convened by the Chair or any Member of the Committee, the Chairman, the Chief Executive Officer or the Secretary;
- The Chairperson, at his/her discretion, may invite other executives to attend and to be heard at meetings of the Committee

3. Notice:

- Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any of its Members;
- Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each Member of the Committee, any other person required to attend, no later than five working days before the date of the meeting or as per timeline agreed with the Chairperson.

L. MINUTES AND PROCEEDINGS

The Committee secretary shall take minutes of meetings. These shall be reviewed and approved by the Members of the Committee.

The minutes of all meetings of the Committee, or summaries thereof, shall be submitted to the board at the immediate quarterly board meeting, the agenda for each such board meeting shall provide an opportunity for the Chairperson of the Committee to report orally on any matters of importance as well as on the Committee's findings and shall recommend actions.



M. REMUNERATION

Having regard for the functions performed by the Members of the Committee in addition to their functions as directors in relation to the activities of the Committee Members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board. Such special remuneration shall be in addition to the annual fees payable to directors.

N. REMOVAL AND VACANCIES

Any Member of the Committee may be removed and replaced at any time by the Board, and will automatically cease to be a Member as soon as he or she ceases to be a Director. The Board will fill vacancies on the Committee by appointment among qualified Members of the Board.