



STRATEGY COMMITTEE

TERMS OF REFERENCE



STRATEGY COMMITTEE - TERMS OF REFERENCE

A. CONSTITUTION

The Board of SBM Bank (Mauritius) Ltd (the "Bank") has established the Strategy Committee (the "Committee"), which in turn will discuss and make proposals to the Board on the Bank's strategy, monitor key performance targets set in line with the strategy.

B. COMPOSITION

The Board of the Bank must appoint a minimum of (4) four and a maximum of (7) seven Directors to be Members of the Committee. The Committee shall be composed of a majority of Non-Executive Directors.

The Chairperson of the Committee shall be an independent or a Non-Executive Director. In addition, the Chief Executive of the Bank 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 remaining Directors of the Board and/or heads of lines of business or other members of management to attend all or part of any meeting as and when deemed 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 receive information and papers in a timely manner to enable full and proper consideration to be given to issues.

D. QUORUM

The quorum necessary for the transactions of business shall be 4 (Four) Members, one of which shall at all times be an Executive Director.

E. RESPONSIBILITIES

The Committee is responsible for ensuring that the Bank's strategy remains relevant and responsive to changes in business conditions. It also monitors key performance targets set in line with the strategy.

The main duties of the Committee are to:

- Review the Bank's strategic plans and annual / quarterly corporate objectives and budgets;
- Review effectiveness of the Bank's strategies;
- Review the performance of the Bank and lines of business against set KPIs and targets;
- Review the annual business plan, budget and capital structure of the Bank before onward submission to the Board for approval;
- Review issues of fundamental importance and proposals from management that are material to the Bank's long term objectives and goals;
- Review and monitor the investment in information technology and strategic assets and ensure that they are prioritised according to the Bank's strategy;
- Consider and review the type of organisational structures and functions necessary for implementing strategic plans;
- Assess new business proposals including acquisitions/joint ventures and make appropriate recommendations; and
- Make recommendations regarding strategic capital allocation.

F. REPORTING

The Committee will regularly report to the Board 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 strategic policies and practices included in materials sent to its shareholders.

G. REVIEW

The Committee shall review its 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 light of the Bank's requirements as well as any legal and regulatory developments.

H. 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 Strategic Guidelines adopted by the Board.

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I. 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.

J. MEETINGS

1. Frequency

- The Committee shall meet on a quarterly basis, however adhoc meetings may also be convened by the Chair, or any Members of the Committee or the Chief Executive;
- The Chairperson may, at her/his discretion, invite other Executives to attend and to be heard at meetings of the Committee.

2. Notice

- Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chair or 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 Members of the Committee, and 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.

3. Minutes

- 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.

K. 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. The Members 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.

L. 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.