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SBM HOLDINGS LTD

Terms of Reference – Board Committees

SBM HOLDINGS LTD

Table of Contents

1. AUDIT COMMITTEE	1
2. BUSINESS REVIEW COMMITTEE	7
3. CORPORATE GOVERNANCE, CONDUCT REVIEW & SUSTAINABILITY COMMITTEE.....	8
4. BOARD LEGAL COMMITTEE	13
5. NOMINATION & REMUNERATION COMMITTEE	14
6. PROJECTS ASSESSMENT COMMITTEE	17
7. RISK MANAGEMENT COMMITTEE.....	18
8. STRATEGY COMMITTEE.....	21

SBM HOLDINGS LTD

1. AUDIT COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

Financial Reporting

- Critically examine and review the quality and integrity of the financial statements of the SBM Group (“SBMH and its Subsidiaries”), including its annual and quarterly interim reports, preliminary results announcements and any other formal announcement relating to the SBM Group financial performance, review and report to the Board on significant financial reporting issues, judgements, estimations and uncertainties which those statements contain having regards to matters communicated to it by the Management Team and the External Auditors.
- Provide assurance to the Board that the financial statements/disclosures and interim reports prepared by the Management Team, present a true, fair, balanced and understandable assessment of the Group’s position and prospects during the period under review.
- Make recommendations to the Board concerning the adoption of the Audited (annual) and interim Unaudited Financial Statements (quarterly) and Management Discussion & Analysis of the Group.
- Review and challenge the application, appropriateness and consistency of the accounting policies/estimates applied during the period/ year under review taking into accounts the views of the External Auditors and whether they are prudent and consistent with prior practice and in compliance with laws, standards, regulations and legal requirements as applicable to the Group.
- Ensure that key accounting policies, significant adjustments, unadjusted differences and disagreements with the Management Team are discussed with the External Auditors.
- Consider and challenge the validity of any changes in accounting treatment or disclosure during the period under review and also comparing and if need be to restate for the previous year(s).
- Ensure maintenance of proper and adequate accounting records.
- Review: (i) critical accounting issues and (ii) capital adequacy & internal control.
- Review significant estimates based on judgment which are included in the financial statements.
- Review and challenge the basis on which the Company/Group has been determined as a “going concern” entity/ Group.
- Consider any difference of opinion between the Internal & External Auditors and the Management Team on the level of provisions, on accounting treatment, accounting policies/estimates used and/ or disclosure if any.

SBM HOLDINGS LTD

- Discuss with the Management Team and the External Auditors on the overall results of the audit, quality of Financial Statements and any concerns raised by External Auditors.
- Review the financial reporting process with a view to ensuring Group compliance with International Accounting Standards, International Financial Reporting Standards, Companies Act 2001 and the applicable laws and regulations.
- Safeguarding the Group assets against unauthorized use or disposal.
- Review the contents of the Integrated Annual Report and Financial Statements (annual and quarterly) and advise the Board on whether, taken as a whole, they are fair, balanced and understandable and provides the relevant information necessary for shareholders and other stakeholders to assess the Group and the Company's performance, business model and strategy.
- Assess the solvency position of the Company and make recommendation to the Board on the proposal for payment of dividend to the shareholders.
- Take note of the Report from the Group Finance Forum on a quarterly basis and provide the necessary guidance, as applicable.
- Looking into financial performance of each of the subsidiary to make sense of strategic actions and advise the Strategy and Business Review Committees.

External Audit

- Consider and make recommendations to the Board, in relation to the appointment, re-appointment or removal of the External Auditors and oversee the selection process for new External Auditors at least every five years.
- Consider, review the performance (in the case of re-appointment) and make recommendations to the Board, to be put to the shareholders for approval at the Annual Meeting of the Shareholders, the proposal for the appointment, re-appointment and removal of the Group's External Auditors.
- Review and discuss the scope of the audit engagement and audit plans, including for the subsidiaries received from the External Auditors.
- Consider differences of opinion between the Management Team and the External Auditors and the appropriate actions thereof.
- Evaluate and monitor the performance, objectivity and independence of the External Auditors, at least once annually.
- In consultation with the Group Chief Financial Officer/the person overseeing the Finance function of the Group, agree with the External Auditors' remuneration for audit services so as to ensure that the fees is appropriate to enable an effective and high-quality audit to be conducted.
- Review the Group Policy for "Provision of non-audit services" and recommend any amendments thereof to the Board for consideration.

SBM HOLDINGS LTD

- In line with the Group Policy for “Provision of non-audit services”, the Committee shall:
 - a. Consider all non-audit services received and the associated costs;
 - b. Assess whether the provision of such non-audit services impairs the External Auditor’s independence or objectivity and any safeguards in place to eliminate or reduce such threats;
 - c. For any non-audit service to be provided by the External Auditor, the Audit Committee shall ensure that the External Auditor provides documented evidence of the reasoning for a decision to provide non-audit/additional services, prior to any Engagement letter being issued;
 - d. If any non-audit work is proposed to be carried out by the External Auditors outside the cycle of Audit Committee meetings, approval prior to engagement may be obtained from the Chair of the Audit Committee through the Group CEO; and in all cases, being ratified by the Audit Committee/SBMH Board; and
 - e. For any non-audit work, where any entities of the SBM Group will be inviting the incumbent external auditor of SBMH for the provision of their services, either directly or through a Request For Proposal (RFP), the external auditor will need to communicate to the Audit Committee of the Group of any prohibition in the provision of such services and of any threats to its independence. The Audit Committee will then be required to make an informed assessment about any impact of the provision of these non-audit work on the external auditor’s independence. The Audit Committee will thereafter need to give their approval prior to the external auditor rendering any non-audit work.
- Review the write-up pertaining to the disclosure of the non-audit services provided by the External Auditors in the Corporate Governance Report (Principle 7).
- Determine whether joint audits are required, and to recommend to the Board for consideration with proper justifications and if approved, to provide an explanation in the Integrated Annual Report of the Company.
- Obtain assurance from the External Auditors that adequate accounting records are maintained.
- Receive audit reports on a quarterly basis and ensure that the Management Team take the appropriate corrective action(s) in a timely manner to address control weaknesses and non-compliance with laws and policies identified by External Auditors previously.
- Monitor the effectiveness of the relationship between the External and Internal Auditors and encourage regular meetings/consultations/dialogues between the two Auditors.
- In the event the External Auditors resign, to investigate into the reasons leading to such a decision and whether any action is required and provide the appropriate recommendation to the Board, if any.
- Review any representation letter(s) requested by the External Auditors before they are signed by the Directors of the Company.

SBM HOLDINGS LTD

- Review the External Auditors' Report to the Directors and the Management letter including the Management's response to the External Auditors' findings/ recommendations prior to consideration at the Board.
- Identify key matters arising in the current year's Management letter and satisfy that any matters raised therein be appropriately considered and brought to the attention of the Board (as necessary) including follow up for implementation by the Management Team as corrective measures.
- Meet regularly with the External Auditors (including once at the planning stage before the audit and once after the audit at the reporting stage) and at least quarterly, without the presence of the Management Team, to discuss on any issues arising preventing them to complete their audit.
- Assess the effectiveness and quality of the audit process annually.

Internal Audit

- Ensure the appointment and termination of the Internal Auditor is conducted with its concurrence.
- Ensures that the Internal Auditor has direct access to the Chairperson of the Board and to the Committee Chairperson and is accountable to the Committee.
- Monitor the independence and the objectivity of the Internal Audit function.
- Receive regular, at least on a quarterly basis, audit reports from the Internal Auditor.
- Monitor and supervise the effectiveness of the Internal Audit function.
- Review the objectives of the Internal Audit function and the annual plan of action and ensure appropriate coordination with External Auditors.
- Review the scope of Internal Audit and approve the annual internal audit work plan to ensure that these are risk-based and address all activities over a measurable and reasonable cycle.
- Assess the adequacy and performance of the Internal Audit function and ensure the function has the necessary resources and access to information to enable them to fulfil its mandate and is equipped to perform in accordance with appropriate professional standards for internal auditors.
- Review all internal audit reports/significant matters reported by the Internal Auditor and monitor the Management's responsiveness to their findings and recommendations.
- Review significant differences between the Management Team and the Internal Auditor and recommend the appropriate actions to be initiated to address same.
- Review the cooperation and coordination between the Internal and External Auditors.

SBM HOLDINGS LTD

- Direct and supervise investigations into matters within its scope, for example, evaluations of the effectiveness of the company's internal control, cases of employee fraud, misconduct, or conflict of interest.
- Meet the Internal Auditor at least quarterly, in the absence of the Management Team, to discuss internal audit remits and any issues arising from internal audits carried out.
- Take note of the Report from the Group IT Audit Forum and Group Internal Audit Forum on a quarterly basis and provide the necessary guidance, as applicable.

Internal Control Systems

- Enquire from the Management Team, the Internal Auditor and the External Auditors about significant risks or exposures and evaluate the steps taken to mitigate such risks.
- Review the framework of internal controls across the Group, including financial, operational, reporting and compliance controls, and risk management (including the effectiveness thereof), prior to endorsement by the Board and advise the Committee of non-compliance on a timely basis
- Review and discuss any previously identified material weaknesses in controls and deficiencies in system and seek updates from the Management Team on the actions initiated thereof.
- If considered necessary, recommend additional procedures to enhance the system of internal controls.
- Review Internal and External Auditors' reports (Management letter) and Management's response thereto and consider status of actions taken by the Management Team.
- Receive and review internal and external audit reports on a quarterly basis and ensure that the Management Team is taking appropriate corrective action in a timely manner to address internal control weaknesses and non-compliance with laws and policies as identified by the internal and external auditors.
- Review of any transactions brought to the attention of the Committee by the Internal and External Auditors which might adversely affect the financial condition of the Group or its subsidiaries.
- Identify any change necessary to the agreed audit scope or to other services as a result of any weaknesses or deficiencies revealed.
- Ensure that the SBM Group complies with regulatory requirements, including prudential requirements and any other reporting obligations.

Whistleblowing and Fraud

- Review at least annually, the Company's process for identification & prevention of fraud.

SBM HOLDINGS LTD

- Review the adequacy and security of the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
- Receive and consider reports on the findings of any internal Company investigations and shall report to the Board/make any recommendations thereof, to address any wrongdoings.

SBM HOLDINGS LTD

2. BUSINESS REVIEW COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

- At least every 3 months, the Committee shall perform, in conjunction with the Group CEO of SBMH and the SBMH Management Team, a review of the financial performance of each operating entities against the agreed plans and budget.
- The Committee meeting shall consider the business review pack for each entity, which shall comprise of key financial highlights & statistics, summary of material risk and compliance related matters, update on initiatives undertaken during the reporting period and any other critical items which require the attention of the Committee. The Committee may also request for additional information from senior management officers in support of the business review.
- Prior to the Committee meetings, the Group CEO and the Management Team of SBMH and any other person deemed appropriate to do so, shall conduct a one-to-one review session with the CEO of each operating entity along with his/her Management Team. The Minutes of Proceedings (“Minutes”) of the one-to-one review sessions shall be drafted by the Group Performance Management Team and shared with the Committee as part of the business review packs. These Minutes shall be cleared by the respective entity CEO and Group CEO.
- Monitor the performance, risk and strategy landscape of the applicable subsidiaries at least every three months as well as the forecast and consider any significant variation from the business plan, the reason for it and its impact on the entity and the Group and forward looking.
- Where deemed necessary, the Committee shall meet solely with the applicable Members of the SBMH Management Team (such as Finance, Risk, Strategy amongst others) to discuss on any salient issue before the review of the applicable subsidiaries are discussed with the respective entity CEO and their management team.
- Provide advice and recommendations to the Board of Directors based on the findings of the business review of the subsidiaries.
- Take note of the Report from the Group Business Development & Strategy Forum on a quarterly basis and provide the necessary guidance, as applicable.

3. CORPORATE GOVERNANCE, CONDUCT REVIEW & SUSTAINABILITY COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

Corporate Governance

(i) Governance matters

- Advise the Board on all aspects of corporate governance and recommend the adoption of best practices as appropriate across the Group.
- Determine and develop the Group's general policy on corporate governance in accordance with the applicable Code of Corporate Governance and best international practices.
- Review the Group's policies falling under the responsibilities of the Company Secretariat function, such as related party and conflict of interest policy, insider and share dealing policy, Board rotation policy and other governance related policies - and procedures to ensure their continuing adequacy and enforcement.
- Review on an annual basis, the Board Charter and the Group's Code of Ethics & Business Conduct to keep abreast with best practices and make recommendation to the Board.
- Identify any violations of ethical conduct, if any and give recommendations to the Board on situations involving any breach of the SBMH's Code of Ethics & Business Conduct.
- Review the Governance Page of the Group and ensure same is updated on a regular basis.
- Recommend to the Board any close period during which the Directors and any other persons in the Group who are privy to price sensitive information shall not be permitted to trade in SBMH shares or securities.
- Take note of the Report on Share Dealing by the Directors, Senior Management including associates and Staff of selected departments and their associates (as identified and approved by the Board) and recommend the appropriate actions to be taken in case of breaches, to the Board for consideration.
- Ensure that disclosures on corporate governance, whether in the Integrated Annual Report or on an on-going basis, are made in accordance with the National Code of Corporate Governance for Mauritius (2016) ("the Code").
- Review and recommend the write up of the corporate governance report for inclusion in the SBMH's Integrated Annual Report.

SBM HOLDINGS LTD

- Ensure that disclosures are made in the Integrated Annual Report in compliance with the Companies Act 2001, the Code, Stock Exchange of Mauritius Listing Rules and any other applicable laws & regulations and report any breaches for further action thereon to the Board.
- Review any statements on ethical standards or requirements for SBMH and assist in developing such standards and requirements.
- Give due consideration to laws and regulations, the principles of the Code and any other applicable rules, as appropriate.
- Make recommendations for approval on any amendments to be brought to the terms of reference to the Board Committees.
- Devise a Policy on Board Diversity in concert with the Nomination & Remuneration Committee (“REMCO”) and recommend to the Board for consideration.
- Report periodically to the Board of Directors on matters reviewed by it, including exceptions/breaches to established policies, processes and limits.
- Take note of the Report from the Group Governance Forum and from the Group Compliance Forum for any governance-related aspects, on a quarterly basis and provide the necessary guidance, as applicable.

(ii) Directors and Senior Management Staff

- In concert with the REMCO, to formulate criteria to determine the expertise, qualifications, positive attributes, independence, performance and other criteria required of a Director, and make recommendations to the Board accordingly.
- Review the Board’s structure, size and composition to ensure it maintains an optimal balance of diversity, experience, and skills to effectively represent shareholder interests, and make recommendations to the Board accordingly for any necessary adjustments.
- Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.
- Ensure that on appointment, new Directors are provided with tailored and comprehensive induction programmes to facilitate their understanding of the business and to be able to perform and discharge their statutory responsibilities and duties effectively, including the process for dealing with conflicts.
- Provide all Directors with appropriate continuing training opportunities to ensure that they have adequate level of knowledge and expertise to navigate through the challenges and complexity of the business environment.
- Ensure accurate disclosure of the Directors’ remuneration in line with the applicable laws & legislations.

SBM HOLDINGS LTD

- Ensure the performance of the Board, its Board Committees, Chairperson of the Board and individual Directors are evaluated on an annual basis (internally or externally driven) with the results being reported to the Board and all recommended follow-up actions are assigned and completed.
- Ensure implementation of a formal succession plan within the Group, as regards to the Directors, Chairpersons, Senior Executives, as well as all key Management positions, while maintaining a pool of potential director candidates for consideration in case of vacancies.
- In collaboration with the REMCO, to recommend to the Board for the continuation (or not) in service of any Director who has reached the age of 70.
- Review the independence and make recommendations to the Board on the independence of Non-executive Directors and the individual's ability to perform his or her duties independently without undue influence from other persons at least annually, in collaboration with the Company Secretariat function.
- Have oversight of the subsidiary governance framework and regulatory control environment through periodic updates.

Conduct Review

- Take note of all proposed significant related party transactions and situations involving a Board member or affiliate's potential or actual conflict of interest.
- Take note of credit exposures to related parties / Directors and ensure that all transactions are conducted at arm's length.
- Review all proposed material transactions and practices of SBMH to ensure that any transaction with the related parties that may have a material effect on the stability and solvency of SBMH or the Group are identified and dealt with in a timely manner.
- Ensure that policies and procedures are established and are being maintained to comply with the requirements of the related party transactions guidelines of the Bank of Mauritius.

Sustainability

(i) Strategic Alignment and Oversight

- Review and ensure alignment of the Group Sustainability Agenda with SBM Group's strategic objectives, encompassing Environment, Social, and Governance (ESG) strategy, and relevant Key Performance Indicators (KPIs).
- Oversee the prioritisation and progress of selected sustainability initiatives, ensuring they meet established KPIs and targets, reporting these in a timely manner to the Board.

(ii) Performance Monitoring and Reporting

SBM HOLDINGS LTD

- Monitor and report on the Group's sustainability performance, including metrics such as greenhouse gas emissions, water usage, waste reduction, and other relevant sustainability indicators.
- Annually review and recommend the Sustainability Report to the Board for approval, ensuring it includes comprehensive updates on sustainability metrics and DEI progress.

(iii) Stakeholder Engagement and Education

- Promote sustainability and DEI awareness and education among Group employees, customers, and other stakeholders.
- Engage with stakeholders to understand their sustainability and DEI concerns, fostering opportunities for collaboration and addressing feedback effectively.

(iv) Risk Management and Policy Review

- Escalate ESG risks and the proposed mitigation plans identified by management to the Board.
- Review the adoption and effectiveness of all sustainability and ESG-related Group policies and standards.
- Address sustainability issues arising from independent internal audits and concerns highlighted by regulators, external agencies, or consultants.

(v) Diversity, Equity, and Inclusion (DEI)

- Encourage the promotion of diversity, equity, and inclusion at all levels of the organisation.
- Set internal DEI targets and devise strategies to achieve these objectives, including oversight and monitoring of DEI initiatives' impact.
- Annually report to the NCCG on progress against DEI targets, including challenges encountered and actions taken.

(vi) Collaboration and External Integration

- Collaborate on sustainability initiatives executed by the Group's operating entities through endorsement or participation.
- Actively work with credit rating agencies to integrate ESG criteria into the credit rating process, ensuring a comprehensive assessment of the bank's sustainable practices and risk management.

(vii) Regulatory Compliance and Communication

- Ensure timely and effective communications, including any regulatory reporting, regarding sustainability and DEI are conducted with internal and external stakeholders.

SBM HOLDINGS LTD

- Actively work with credit rating agencies to integrate ESG criteria into the credit rating process, ensuring a comprehensive assessment of the bank's sustainable practices and risk management.

(viii) Strategy Cascading and Accountability

- Define and cascade sustainability and DEI strategies to all operating entities, ensuring they are integrated into their operational practices and goals.
- Hold operating entities accountable for accurate and timely reporting on their sustainability performance to enable consolidated group reporting and performance assessment.

(ix) Additional Functions

- Perform any other functions and exercise such powers as may be delegated to it from time to time by the Boards, with flexibility to adapt the committee's focus in response to evolving sustainability and DEI standards and business objectives.
- Take note of the Report from the Group Sustainability Forum on a quarterly basis and provide the necessary guidance, as applicable.

4. BOARD LEGAL COMMITTEE

The Board Legal Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

- Provide strategic oversight over Group legal affairs related projects.
- Monitor the progress of the implementation of the different Group legal affairs related projects.
- Identify and assess the impact of potential risks and issues on the delivery of the Group legal affairs related projects.
- In collaboration with the SBMH Management Team, escalate any potential legal risks/issues/challenges to the strategic projects to the relevant Board Committees of SBMH.
- Define the appropriate legal strategies to address the delays in the implementation of the legal projects.
- Review and oversee any other projects that may deem to be strategic from a Group legal perspective, which may not necessarily impact on all operating entities.
- Provide regular updates and guidance on significant legal matters, settlement strategies and emerging legal risks to the SBMH Board.
- Monitor changes in legal and regulatory frameworks which might affect the operations of the SBM Group.
- From a Group's perspective, ensuring that the banking and non-banking entities maintain appropriate legal frameworks.
- Oversee the effectiveness of the Legal Department & its resources for the different entities of the SBM Group.
- Assisting the SBMH Board to interpret complex legal matters in business terms for decision-making.
- Analysing and recommending to the SBMH Board actions regarding legal matters.
- Assisting in the selection or evaluation of the external legal counsels and thereafter recommending to the SBMH Board.
- Endorse the engagement of external legal counsels and review major legal fees.

5. NOMINATION & REMUNERATION COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

Board of Directors

- In concert with the CGCRS Committee, to formulate criteria to determine the core competencies, expertise, qualifications, positive attributes, independence and other criteria required of a Director, to ascertain whether the potential candidates are fit and proper and make recommendation to the Board, suitable and qualified candidates to be appointed for the following positions: Director and Chairperson of the Board, so that the composition of the Board has the appropriate balance, diversity of experience, gender equality and skills to operate in the best interests of the shareholders.
- To review annually, in collaboration with the CGCRS Committee, the Board Committee size, structure and composition (including the skills, knowledge, independence, experience and diversity) and to make recommendation to the Board regarding the appointment of Directors to serve as Members of each Committee and Committee Chairpersons.
- In concert with the CGCRS Committee, to assess and recommend suitable candidates for the role of lead independent director to the Board for consideration.
- Prior to the appointment of a Director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest.
- To ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings.
- To ensure a tailored-made induction program/pack is provided to newly appointed directors covering their role and responsibilities as defined by the in-country laws & regulations, together with an overview of SBM Group, main risk areas, strategy of the Group, major policies and organisational structure amongst others.
- To determine the broad framework for the remuneration of the Directors and Members of the Committees, having regards to the remuneration trends and industry practice as well as ensuring compliance with the Company's Constitution/in-country laws & regulations and recommend same to the Board for consideration.
- To agree and to make recommendation to the Board the policy for authorising claims for expenses from the Directors.
- Give full consideration to succession planning for Directors particularly for the key roles such as the Chairperson and the Group Chief Executive Officer, taking into account the challenges and opportunities facing the Company, and the skills,

SBM HOLDINGS LTD

knowledge, experience, independence, diversity and expertise needed on the Board in the future.

- In collaboration with the CGCRS Committee, to recommend to the Board for the continuation (or not) in service of any Director who has reached the age of 70.
- To ensure that a Policy on Board Diversity is devised in concert with the CGCRS Committee and recommend to the Board for consideration.

Senior Management Staff and Employees

- To recommend the recruitment of potential candidates as senior executives (above senior officer grade) and their remuneration, benefits and other terms and conditions of employment to the Board for consideration.
- To provide technical expertise and strategic guidance where required with respect to the recruitment of senior management within the Group.
- To assess and recommend the promotion of SBMH employees to the Board for consideration.
- To review and recommend to the Board performance-based remuneration and reward taking into consideration the Group's goals, objectives and review of Key Performance Indicators (KPIs) such as economic value added, risk-adjusted return on capital ("RAROC"), profitability, business levels, etc and also review the effectiveness of the reward and recognition systems in place.
- To attract, retain and motivate senior executives of the quality and professionalism required to run the SBM Group successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders.
- To ensure that no senior executive is involved in deciding their own remuneration.
- To review on an annual basis the appropriateness and relevance of the remuneration policy to ensure that SBMH executives are fairly rewarded for their efforts to the Group's overall performance and demonstrate to all the stakeholders in the business that the remuneration of the Senior Management is done objectively and make the appropriate recommendation to the Board.
- To recommend to the Board the payment of productivity bonus for SBMH employees.
- To recommend to the Board the salary revisions and service conditions of SBMH employees.
- To review and recommend to the Board the policy on staff welfare and fringe benefits.
- To oversee any major changes in employee benefits structures for the Company or throughout the Group.
- To review and recommend to the Board any changes to HR related policies of the Group including the Group Succession Planning Policy for approval.

SBM HOLDINGS LTD

- To implement a remuneration and incentive system to stimulate staff motivation to achieve the corporate objectives. The approach shall be reviewed periodically to assess its effectiveness and decide on any modifications, as necessary.
- To ensure the development of a diverse pipeline for succession and regularly review management proposals for the longer-term succession to key senior leadership positions within the Group, giving full consideration to the challenges and opportunities facing the Group and the skills, expertise needed to support the development and implementation of the Group's strategic priorities and diversity and inclusion targets to be achieved.
- To be apprised of the staff movement, recruitment and departure status (senior officer and above) across the Group on a quarterly basis.

General Matters

- To obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations, the Committee shall have full authority to appoint consultants/advisors and to commission or purchase any reports, surveys or information which it may deem necessary at the expense of the Company but within any budgetary restraints imposed by the Board.
- To be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any consultants who advise the Committee.
- To ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- To give due consideration to laws and regulations, the principles of the National Code of Corporate Governance for Mauritius (2016) and any other applicable rules, as appropriate.
- To oversee any major changes in employee benefits structures throughout the SBM Group.
- To evaluate and monitor the performance of the Group HR Forum established at the Group level.
- To liaise as necessary with all other Board Committees, ensuring the interaction between Committees and with the Board is reviewed regularly.
- To assess the organizational health of the Group to ensure the alignment with the Group's overall philosophy and strategy/direction.
- Take note of the Report from the Group HR Forum on a quarterly basis and provide the necessary guidance, as applicable.

6. PROJECTS ASSESSMENT COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

- Provide strategic oversight over Group related projects.
- Monitor the progress of the implementation of the different Group projects.
- Identify and assess the impact of potential risks and issues on the delivery of the Group related projects.
- In collaboration with the SBMH Management Team, escalate any potential risks/issues/challenges to the strategic projects to the relevant Board Committees of SBMH.
- Define the appropriate strategies to address the delays in the implementation of the strategic projects.
- Review and oversee any other projects that may deem to be strategic from a Group perspective, which may not necessarily impact on all operating entities.
- Provide regular updates on the strategic projects to the SBMH Board.
- Take note of the Report from the Group Technology & Operations Forum on a quarterly basis and provide the necessary guidance, as applicable.

7. RISK MANAGEMENT COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

- Ensure that the Group has established a solid, robust and effective Enterprise Risk Management Framework (“ERMF”), which is reviewed at least once annually.
- Oversee the effective implementation of the risk strategy, risk appetite and risk tolerance, having regards to the current and prospective macroeconomic and financial environment, financial stability assessments and the guidelines, rules and requirements of the regulatory bodies and other authoritative sources that are relevant to the Group.
- Oversee compliance with the approved risk appetite and monitor key trends and concentrations and report any deviation/breaches to the Board.
- Review and assess the effectiveness of the Group’s risk management control and mitigation tools, approach and methodology.
- Review and monitor the Group’s risk profile – its ongoing and potential exposure to risks of various types, risk concentrations, key performance indicators and the performance versus the risk appetite.
- Review the principal risks but not limited to the strategic, financial (credit, market and liquidity/funding, capital), non-financial (operational, reputational, legal and compliance), regulatory, information security and climate risks amongst others, facing the SBM Group and alert the Board of any areas of concerns.
- Review and assess the Group’s exposure to emerging risks, ensuring alignment with the Group’s risk appetite, and evaluate the Group’s capacity to effectively manage and mitigate these risks.
- Monitor performance and controls environment, in light of the established Group policies, procedures and limits of authority, and escalate any departure from the acceptable prudential norms.
- Evaluate stress-testing scenarios and risk implications with regards to the Group’s strategic objectives and initiatives.
- Review and address findings and recommendations from regulators, as well as internal and external auditors, relating to risk management guidelines, practices and specific risk events.
- Review Group policies for management of identified financial and non-financial principal risks and make recommendations thereon to the Board.
- Review adequacy of insurance coverage, material outsourcing arrangements and business resilience.
- Oversee significant legal proceedings involving the Group and its subsidiaries, as well as major incidents of fraud, misconduct and other irregularities that could materially impact the business.

SBM HOLDINGS LTD

- Review the write-up of the 'Risk Management Report' to be published in the Integrated Annual Report of the Company, for recommendation to the Board for approval.
- Ensure that relevant training and awareness programs are delivered across the Group, equipping staff with the required understanding of risks and its management relating to their duties and responsibilities and the potential consequences of ineffective risk management.
- Obtain regular updates on risk exposures and risk management activities of the subsidiaries of the Group.
- Foster a strong risk culture and ethical behavior across the Group by ensuring the establishment of appropriate structures, policies, and procedures,
- Review and assess the relevance and adequacy of the risk management framework, governance structure and processes and its continuous benchmark against relevant standards.
- Identify, assess and monitor the effectiveness of risk treatment/mitigation action plans for the management and control of key business risks.
- Evaluate the internal risk management control systems and processes.
- Formulate and make recommendations to the Board on risk management issues.
- Review the effectiveness of the Risk management function of the Group.
- Meet with the Group CRCO as and when required without the Management Team being present, to discuss the remit of the risk management function and any issues arising from risk reviews, work undertaken or feedback from regulators.
- Ensure the Group CRCO shall be given the right of unfettered direct access to the Chairperson of the Board and the Committee.
- Evaluate the risks associated with any proposed merger, significant acquisition, divestiture, joint venture, or disposal, and advise whether proceeding within set parameters aligns with the Group's long-term interests. Ensure that a due diligence assessment, with a focus on risk factors and implications for the Group's risk appetite and tolerance, is conducted — seeking independent external advice when necessary — before a decision to proceed is made.
- Monitor the performance of Group Risk Management Forum and Group Compliance Forum, established at the Group level.
- Discuss, review and recommend to the Board any other matter or issue which is relevant to the risk management of the Group.
- Take note of the Report from the Group Risk Management Forum and Group Compliance Forum on a quarterly basis and provide the necessary guidance, as applicable.

8. STRATEGY COMMITTEE

The Committee shall carry out the following roles and responsibilities on behalf of the Board, within its duties and scope of authority as determined by the Board from time to time:

Strategy management and monitoring

- Review, evaluate and make recommendations to the Board on the Group's strategic plan and budget including the capital plans.
- Oversee and regularly assess progress as regard the execution of the strategic plans of the Group and its subsidiaries and report any deviation(s) therefrom.
- Recommend policies, procedures and activities to assist in the implementation of the Group Strategic Plan, if required.
- Consider and appraise selected strategic growth and development opportunities to be endorsed by the Group while evaluating relevant challenges and risks faced, including, but not limited to, Group investments, expansions, disposals, joint ventures in the short/medium/long terms, capital expenditures, and other specific projects aimed at promoting SBM's business growth and image building endeavours, while delivering guidance and making appropriate recommendations to the Board.
- Oversee progress, and make appropriate recommendations for course-correction, as regard the timely and successful execution and delivery of selected approved strategic initiatives which are being driven at the Group level and/or at entity level.
- Review and discuss significant matters of strategic nature, as escalated by the Group Executive Office and/or Group Executive Committee, including issues and challenges raised, in the first place, by the Group Functional Forums

Assessment of the Group's operating environment

- Evaluate key developments and dynamics taking place within the Group's economic, market and industry landscapes with the objective to ascertain potential implications for the organisation, particularly in terms of its strategic intents and endeavours being implemented;
- Scrutinise the stock market profile and performance of SBMH in view of the evolving market environment;
- Assess and oversee proposed or earmarked tasks and initiatives – either ad-hoc or regular – that are aimed at achieving sound shareholder interactions as well as promoting effective investor relations and stakeholder management.

Other matters for consideration

- Review and make proposals on all other matters of strategic nature and/or importance to the Group.
- Take note of the Report from the Group Communications Forum on a quarterly basis and provide the necessary guidance, as applicable.