



# **SBM HOLDINGS LTD**

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## **Board Charter**

## **1. Introduction**

The Board of Directors (the “Board”) of SBM Holdings Ltd (“SBMH” or the “Company”) has adopted this Board Charter (the “Charter”) which defines the functions, objectives, composition and the roles and responsibilities of the Board, both individually and collectively, in setting the direction, management and control of the Company.

### **1.1 Complementary to Laws and Articles**

As a cornerstone of SBMH’s governance system, this Charter needs to be read in conjunction with the Constitution of the Company and be treated as a living document, closely aligned with its strategic direction. It complies with the Mauritian guidelines, legislations and regulations and is reviewed at regular intervals to be consistent with the developments in laws, regulations and governance practices. In the event of any dispute in contents or meaning arises, the provisions listed in the Constitution of SBMH shall prevail.

### **1.2 Approving Authority**

Any changes proposed to the Charter are approved by the SBMH Board through the Corporate Governance, Conduct Review & Sustainability Committee (“CGCRS Committee”).

### **1.3 Website Disclosure**

The Charter is posted on the website of the Company.

### **1.4 Application of the Charter**

This Charter shall also be applicable to all the subsidiaries of SBMH, as deemed appropriate and necessary. In the event of non-applicability by a subsidiary, that entity shall ensure adherence to the best practices of corporate governance, as applicable in the jurisdiction in which it is/shall be operating.

## **2. Composition of the Board**

### **2.1 Board Profile**

All appointments to the Board should adhere to the criteria set in the Constitution of the Company and should be made on merit against a set of objective criteria, in the context of skills and experience required for the Board to be effective and guard against groupthink.

The CGCRS Committee and the Nomination & Remuneration Committee (“REMCO”) are responsible for reviewing the composition of the Board and its Committees and for assessing whether the right balance of skills, experience, knowledge and diversity is appropriate to operate effectively, are in place. SBMH also acknowledges the requirement for gender representation on its Board as per regulatory requirements.

### **2.2 Number of Directors**

SBMH has a unitary Board structure and shall comprise a mix of independent (at least 40%), non-executive and executive Directors.

As defined in Section 14.1 of the SBMH Constitution, *“the number of Directors shall not be less than Seven (7) nor more than Eleven (11). The Chief Executive of the Company shall be an ex-officio member of the Board”*.

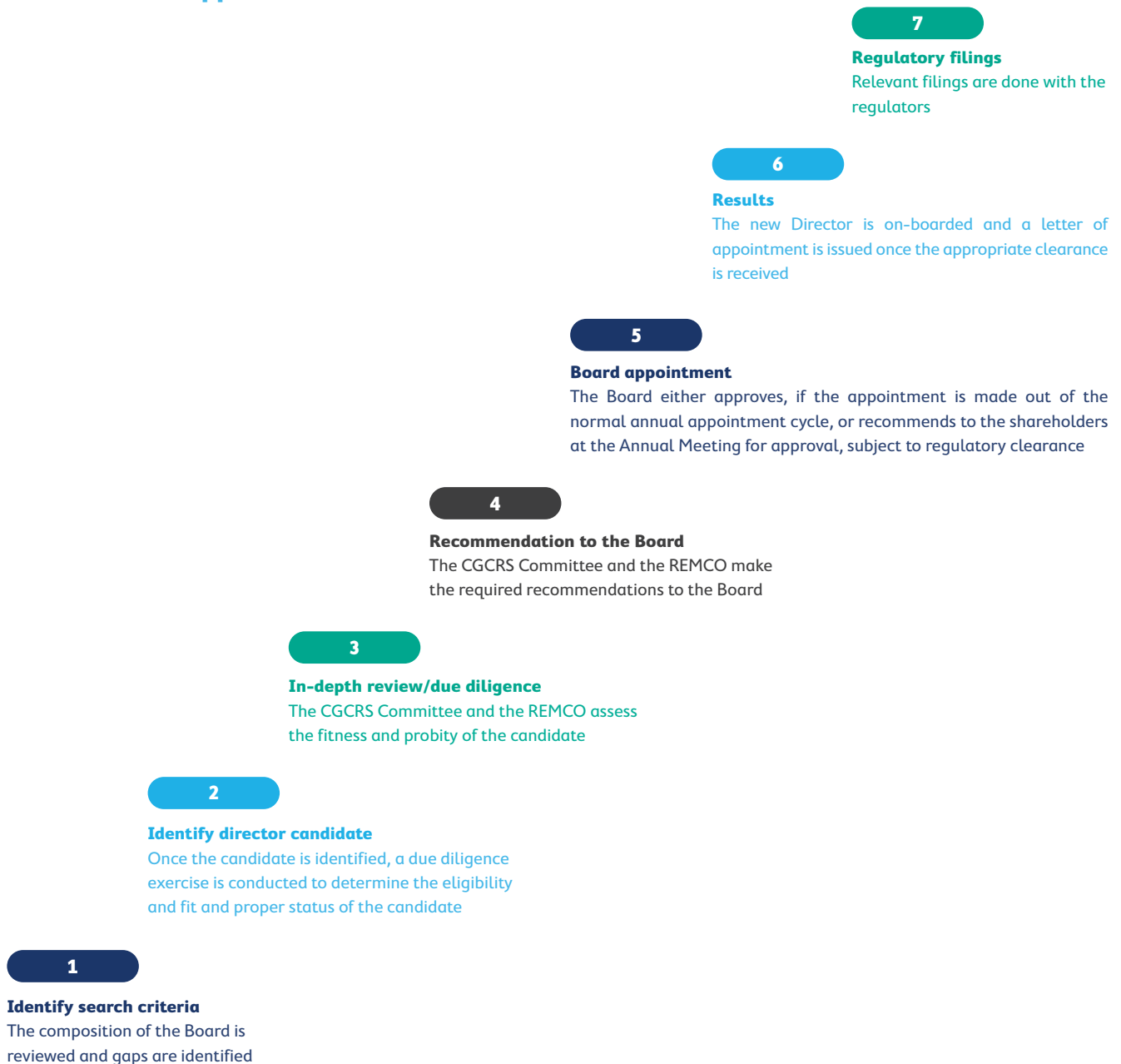
### **2.3 Election of Directors**

#### **2.3.1 Directors Appointment Process**

All appointments are made on a merit basis against a set of objective criteria, in the context of skills and experience required for the Board to be effective and guard against ‘groupthink’. Every Director appointed shall be a fit and proper person and shall have the necessary qualities, competencies and experience that would allow them to perform their duties and carry out responsibilities required of the position in the most effective manner.

Appointment of Non-Executive Directors at SBMH is subject to a pre-determined, formal, rigorous and transparent process implemented by the Board, supported by the CGCRS Committee and the REMCO, as set out below:

## Selection and appointment of new Directors



The letter of appointment issued to the Non-Executive Director shall provide details about the appointment terms, time commitments, roles & duties, remuneration and other clauses which shall govern the tenure of the Non-Executive Directors at SBMH.

Pursuant to Section 14.1 of the Constitution of SBMH, the Group Chief Executive Officer (“Group CEO”) shall, by virtue of his office, be an ex-officio member of the Board for as long as he will be acting in this capacity.

In line with the spirit of Principle 2 of the National Code of Corporate Governance for Mauritius (2016) (the “Code”), the Board shall give due consideration to having a strong executive management presence with at least two (2) Executives as members.

### 2.3.2 Criteria for appointment and reappointment of Directors

In line with the SBMH Constitution, the Non-Executive Directors are elected/re-elected on the Board by way of separate resolutions by the shareholders at the Annual Meeting of the Shareholders (“Annual Meeting”) and shall hold office until the next Annual Meeting and subject to any restrictions by the Bank of Mauritius, shall be eligible for re-election.

As mentioned in Section 2.3.1 above, the Group CEO shall be an ex-officio member of the Board for as long as he will be acting in this capacity, unless:

- (a) He /she is no longer an employee of SBMH; or
- (b) His /her directorship role is terminated by the SBMH Board for any valid reason.

### *2.3.3 Director Qualifications*

The qualifications of Directors shall be in line with Section 14.2 of the Constitution of the Company.

### *2.3.4 Criteria for independence*

A Director is deemed to be independent where in general, he/she holds no relationship with the Company or any other subsidiaries such that his /her independence could be questioned. The assessment of independence takes into account the following criteria, among other factors:

- i. not being an executive Director or employee of the Company or any associated company, and not having been in such position for the three (3) previous years;
- ii. not receiving significant additional remuneration from the Company or any associated company, apart from the fee received as an independent Director;
- iii. not having a significant shareholding in the Company, or being a Director or executive manager of any company having a significant shareholding in the Company;
- iv. not having, or having had within the preceding year, a significant business relationship with the Company or an associated company, either directly or as partner, shareholder, Director or senior employee of a body that has such a relationship;
- v. not being, or having been within the preceding three (3) years, a partner or employee of the external auditor of the Company or an associated company;
- vi. not holding a crossed Directorship and not having other significant links with other Directors through involvement in other companies or bodies;
- vii. not being a close family member of/holding ties with an executive Director, advisers or senior employees of the Company;
- viii. had not served on the Board as independent director for more than six (6) consecutive years from date of appointment.

## **2.4 Board Induction and Training**

Upon appointment, new Directors shall undergo a comprehensive and tailored-made induction program to support their onboarding and understanding of the Group's operations that shall enable them to competently perform and discharge their statutory responsibilities, including but not limited to, dealing with conflicts of interests and adhering to governance frameworks.

More so, a formal and customised training plan for the Directors shall be worked out annually with the assistance of the CGCRS Committee, the Company Secretary and the SBM Academy. Such trainings shall be at the Company's expense and shall serve the purpose of providing the necessary knowledge to the Directors and improving the efficiency of the formers in discharging their fiduciary and statutory duties, whilst navigating through the challenges and complexity of the business environment. Accordingly, Directors are encouraged to attend such trainings.

Training courses and personal development initiatives undertaken by the Directors shall be organised and closely monitored by the SBM Academy and reported to the CGCRS Committee/SBMH Board.

## **2.5 Directors' time commitment**

The terms and conditions of the appointment of the Non-Executive Directors are set out in a letter of appointment, which shall include the expectations and the estimated time required from the Directors to perform their role. All Directors shall ensure that sufficient time is allocated to the Company to discharge their responsibilities effectively. The letter of appointment is posted on the website of the Company.

## **2.6 Attendance to Board Meetings**

- i. All the Directors shall attend the Board meetings scheduled for the year. Any Director who is unable to attend a scheduled Board/Committee meeting shall, at the earliest convenience, notify the Company Secretary who will assess and ascertain the quorum required to conduct the business of that particular Board/Committee meeting.
- ii. However, should a Director be abroad or unable to be physically present to the Board/Committee meeting venue for any other valid reason, the said Director could, where possible, exercise the option to attend the meeting by teleconference, telephone, Microsoft Teams or any electronic means/technological arrangements, provided that same are accessible and available at the Company.

## **2.7 Remuneration**

In line with the Constitution of the Company, the remuneration of the Directors shall be fixed by the Board to align with market standards and taking into consideration the competencies, skills, scarcity, complexities, efforts and time commitment of the Directors to the Company. In addition to a per diem for out of pockets expenses, Directors may also be paid for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings and committees abroad (where the Group is present) or in connection with the business of the Company.

With regards to the remuneration of the Executive Director(s), the employment contract includes clauses in for payment of bonuses linked to personal Key Performance Indicators, as well as to the financial performance of the ultimate holding entity of the Group, SBMH. The Executive Director(s) do/does not derive any fees as Director of any of the subsidiaries of SBMH, in line with the practice of the Group.

## **2.8 Resignation from the Board**

Any Director who wishes to resign from the Board, shall send a written notice of resignation to the Chairperson, and a copy of same to the Company Secretary. The resignation date takes effect in line with the provisions of the Mauritius Companies Act 2001 ("the Act").

Executive Directors shall automatically cease to be a Member of the Board upon ceasing to hold the executive office, without any further corporate formalities.

# **3. The Board of Directors**

## **3.1 Objective and scope of the Board**

The Board is collectively responsible for promoting the long-term sustainable success of the Company and its subsidiaries, generating value for shareholders while ensuring that the interests of all the stakeholders are safeguarded. The Board has to work in unity and in close collaboration with the Senior Management Team for the betterment of the Company and its subsidiaries, whilst adopting proper governance principles and complying with all the applicable laws and regulations.

## **3.2 The Duties and Responsibilities of the Board**

The Board remains the supreme decision-making body of the Company and is generally assisted by the activities of the Board Committees, which shall be constituted to comprehensively evaluate specific issues, prior to making well-considered recommendations to the Board. Notwithstanding the establishment of such Board Committees, the Board is not discharged from its responsibilities. The Directors shall be jointly accountable for the decisions of the Board.

In line with the above, the key roles and responsibilities of the Board, amongst others, are as follows:

- i. Sets out the vision, mission, goals, values, strategic objectives, targets and overall directions of the Group;
- ii. Leads and controls the Company;

- iii. Provides strategic guidance to the Company and ensures effective monitoring of the Management Team;
- iv. Monitors the Group's operating and financial performance;
- v. Monitors the effectiveness of the Company's governance practices and making changes as necessary;
- vi. Ensures that the Company meets all its legal and regulatory requirements;
- vii. Exercises appropriate control to ensure that the Company is managed efficiently to fulfil its stakeholders' aspirations and societal expectations;
- viii. Ensures the Company has in place a robust risk management system, sound internal controls and compliance framework;
- ix. Implements the Group's succession planning for its Directors and Management Team;
- x. Exercises oversight over the operations of its subsidiaries to ensure the strategic aims of the Group are attained.

Additional powers of the Board are set out in the Company's Constitution. The Board also has a duty to exercise its powers in line with the provisions of the Act. All Directors are expected to carry out their duties honestly, in good faith and in the best interests of the Company, with due diligence and skills, as a reasonably prudent person would, in comparable circumstances. Directors also have a duty to declare and avoid conflicts of interest with the Company and its subsidiaries.

### **3.3 Proceedings of Board Meetings**

Board Meetings are an important mechanism by which the Directors discharge their statutory duties.

#### *3.3.1 Notice and Agenda of Meetings*

In line with good corporate governance practices, the Company Secretary shall set the annual calendar for Board/Committee meetings at the beginning of each financial year, in consultation with the Chairman and the Group CEO and upon finalisation, the calendar shall be communicated to the Directors and the Management Team.

In the ordinary course of business, Board meetings are conducted on a quarterly basis, however ad hoc meetings shall also be convened on the basis of the urgency of the matter, be it specific strategic, or transactional and governance matters. Notice is given to the concerned Directors/Senior Management team at least one week prior to holding a Board/Committee meeting.

Should Board/Board Committee meetings be convened at shorter notice than ordinarily required, the Directors/relevant Members are expressly deemed to have waived their rights to receive the notice of meeting in accordance with the established procedures through their consent sought and obtained in their respective letters of appointment, upon execution thereof.

Separate meetings of: (a) the Independent Directors without the Non-Executive and Executive Directors, and (b) the Independent Directors with the Non-Executive Directors and without the Executive Directors (if applicable) are conducted in closed sessions by the Chairman, on a quarterly basis to align with sound governance principles.

#### *3.3.2 Venue*

All Board and Committees meetings shall be held at the registered office address of the Company, save in extreme circumstances, the Board and Committee meetings shall be held off the registered office, subject to the prior consensus of the Chairman of the Board/ Board Committees. In addition, meetings of the Board may be held by conference call, video conference or by any other means of communication, provided that all participants can communicate with each other simultaneously.

#### *3.3.3 Quorum*

Unless otherwise determined by the Directors, the quorum necessary for the transaction of the business of the Board or its Committees may be fixed by the Board, and unless so fixed, shall be not less than a majority of the total number of Directors elected from time to time by the Board or as appointed by Committees.

### *3.3.4 Meeting conduct*

The Company Secretary shall assist the Chairperson and the Group CEO in the preparation of meetings and shall ensure that minutes of proceedings of the Board/Committees are drafted and reflect fairly and accurately the deliberations of those meetings. The Chairperson in turn shall ensure that the Board functions properly within its delegated authority and in compliance with the applicable laws and regulations.

Agenda for the Board and Committee Meetings, along with the Board papers shall be circulated at least one week ahead of the meetings, to facilitate meaningful, informed and focused deliberations and decisions during the meetings. Board papers and reading materials, given their highly sensitive nature, are uploaded onto a secured software installed on the iPads of the Directors, which are handed over to them during their onboarding phase.

To protect the integrity and confidentiality of the sensitive information, the distribution of printed or hard copy documents to the Directors is discouraged, except otherwise approved by the of the Board unanimously.

As stipulated in Section 12.3 of the Constitution of SBMH, all Board Meetings shall be presided over by the Chairperson or in his absence, by any independent Director, as elected by the Directors present at that meeting. All decisions are taken unanimously.

### *3.3.5 Executive or Officers "in attendance" at Board and Committee Meetings*

The Group CEO, even if not a Member of the Board, shall attend all Board/Committees meetings, unless otherwise instructed by the Chairperson of the Board/Committee.

Subject to the prior approval of the Chairperson, invitees to the Board/Committees meetings shall be restricted to individuals who are engaged/involved or possess relevant expertise associated with the specific matters under deliberation, including but not limited to, Members of the SBMH Management Team/Group and Key Executives and other officers within the Group or any other subject matter expert as the Board/Committee may determine to be necessary or appropriate.

Alternate Directors are discouraged.

### *3.3.6 Minutes of Proceedings*

The Company Secretary shall draft the Minutes of Proceedings of the Board meetings and the Board Committees ("Minutes of Board/Committees"). All Minutes of the Board/Committees shall be kept solely in the custody of the Company Secretary, and shall, in addition be tabled for approval at the subsequent Board/ Board Committee meeting.

Subject to the approval of the minutes by the relevant Board/Committee, the Minutes of Board/ Committee meetings shall be signed jointly by the Chairperson of that meeting/the Director chairing the meeting in the absence of the full-time Chairperson, and the Company Secretary. Should the Chairman/Director/Member cease to serve the Board/ Committee, the minutes of proceedings, subsequent to approval, shall bear the signatures of a Member present at the relevant meeting along with the Company Secretary.

### *3.3.7 Written Resolution in lieu of physical meeting*

In accordance with the provisions of the Eighth Schedule of the Act, a resolution in writing, signed or assented by all Directors who are entitled to receive a notice of the Board meeting, shall be as valid and effective as if it had been passed at a Board meeting duly convened and held.

## **3.4 Board Evaluation**

In line with the provisions of the Code, the Board shall undertake a rigorous annual evaluation of its own performance, its Committees, individual Directors and the Chairperson on an annual basis. External evaluation is also encouraged on a regular basis. Appropriate action plans shall be put in place and implemented as a result of the board evaluation.

## **4. Board and Management Committees**

### **4.1 Board Committees**

Subject to Section 18 of the SBMH Constitution, the Board is authorised to establish committees composed of its members it considers appropriate and shall designate the membership of each committee whilst delegating their powers to any such committee.

The Board has established several Committees, as listed below, to ensure that specific matters receive the right level of attention and consideration:

1. Audit Committee
2. Business Review Committee
3. Corporate Governance & Conduct Review Committee
4. Group AML & CFT Committee
5. Group Transformation and Technology Committee
6. Nomination & Remuneration Committee
7. Sustainability Committee
8. Risk Management Committee
9. Strategy Committee

The roles and responsibilities of the above listed Board Committees are defined in their respective Terms of Reference ("TOR") which are approved by the Board and which are subject to an annual review exercise (if necessary). The TOR of the Board Committees is posted on the Company's website.

## **4.2 Management Committees**

While the Board oversees the direction and good conduct of the business, the Management Team is responsible for setting, managing and executing the strategies and ensuring that all decisions are taken in the best interests of the Company and the Group and that their role is carried out effectively.

The Board may establish such Management Forums or Sub-Forums or Functional Forums, as may be required, and these shall operate within their defined TOR, duly approved by the Board/ Committees/the Group CEO as mandated by the Board, as applicable.

## **5. Other Board Practices**

### **5.1 Prior notice of outside directorships**

Every Director, prior to his /her appointment, must or shall cause to be disclosed the name(s) and detail(s) of the company/companies in which he/she is already serving as a Director.

Where, a Director of SBMH, during his/her tenure, is appointed to the Board of another entity, he/she shall, upon such appointment, promptly disclose to the Board or the Company Secretary of the new directorship(s).

### **5.2 Procedure in case of conflict of interests**

The Board has adopted a Group Related Party Transactions and Conflict of Interest Policy (the "GRPTCI Policy") which is reviewed on a regular basis. The objective of the GRPTCI policy is to ensure proper approval, disclosure and reporting of transactions as applicable between the Group and any of its related parties, in the best interests of the Group and its stakeholders.

In a situation of conflict of interest, the Director in question shall declare his/her interests to the other Members of the Board and shall neither deliberate nor vote on the issue in which he/she is in conflict and shall recuse himself/herself from the proceedings during that time. Such conflicts, if authorised, are then recorded in the Interest Register of the Company, which is maintained and updated on a regular basis by the Company Secretary.

### **5.3 Director Access to Officers and Employees**

All Directors wishing to have information on the Company shall have unrestricted access to the relevant officers and employees of the Company provided that they abstain from interfering in the day-to-day activities of the Company or give instructions. As a good practice, they shall inform the executive Directors of their intention to seek information.

### **5.4 Access to independent professional advice**

The Directors, on an individual basis or jointly, shall have access to independent professional advice relating to Company's business, subject to approval by the Board or if it relates to the affairs or business of a Committee, upon approval of the Chairperson of that Committee.



## **5.5 Share Dealing**

The Board has adopted a Group Insider and Share Dealing Policy (the “GISD Policy”) which is applicable to Directors, Management and applicable employees (including their associates) of SBM Group. The objective of the GISD Policy is to ensure compliance with the laws and regulations relating to insider dealing and trading in SBMH securities as well as setting minimum standards of observance.

Any Director who wishes to trade in the securities of the Company shall notify the Chairperson of the Board or the Company Secretary (by a formal/electronic correspondence) and, shall ensure that such trading shall, at no times, be carried out during a closed period as mandated by the Stock Exchange of Mauritius (“SEM”) Listing Rules. Such correspondence shall be acknowledged by the Chairman or the Company Secretary in the form of writing to the concerned Director and the Chairman shall inform the other Directors thereof, at the next Board Meeting.

## **5.6 Close period**

No Director is allowed to deal in the shares of the Company during the close period, that is, one month prior to a Board Meeting of the Company whereby financial performance and dividend distributions shall be discussed.

The Company Secretary shall notify the Directors and Management Team of SBMH and its Subsidiaries as well as the staff of selected departments having access to sensitive information (altogether known as the “Restricted Persons” as defined in the GISD Policy) of the close period on a quarterly basis, and a quarterly reporting is subsequently made to the CGCRS Committee/SBMH Board detailing any dealings by the Restricted Persons during the close period. Breaches, if any, are flagged and appropriate actions are taken accordingly.

## **5.7 Directors and Officers Liability Insurance**

The Directors of the Company shall be covered under the Directors and Officers Liability Insurance cover. The Directors and Officers Liability Insurance Policy does not cover the deliberate gaining by any insured of profit or advantage to which such insured was not legally entitled or the committing of any deliberate dishonesty or deliberately fraudulent act by any insured.

## **5.8 Confidentiality**

The Directors acknowledge that all matters and information related to the Company and its subsidiaries which are disclosed/entrusted to them, are solely for the purpose of fulfilling their duties and responsibilities towards the Company and its subsidiaries and they shall at all times remain confidential and shall not be disclosed to anyone except the persons entitled to receive them. All documents, records and information accessed or obtained by the Directors in the course of their tenure shall be deemed as the exclusive property of the Company.

At the end of each Director’s term of office, he/she shall return all confidential documents in his/her possession, including but not limited to the iPad, to the Company Secretary or guarantee their disposal in a manner that ensures confidentiality is preserved and shall not refrain from retaining any copies or reproductions thereof. Any failure to return any confidential documents and materials provided to the Director during his/her tenure shall render him/her solely liable for any and all consequences arising therefrom. Confidential information includes Board deliberations, documents and information including the Company’s financial information and that of its subsidiaries, internal Company reports and details of transactions or prospective transactions involving the Company or its subsidiaries.

## **5.9 Reasonable expenses**

The Company shall provide budgets for air tickets, accommodation, travel and entertainment to the Directors strictly on a reasonable basis, ensuring that all expenditures are appropriate, necessary, and aligned with the Company’s applicable policies.

## **6. Key governance positions**

The key governance positions have been identified and approved by the Board through its CGCRS Committee and are critical to ensure the Board’s performance towards the Group’s strategy and the achievement of a high level of good governance. The key governance positions and roles are listed as follows:

## 6.1 The Chairperson

### 6.1.1 Appointment of Chairperson

- i. The Board shall designate one of the elected Directors to act as Chairperson of the Board.
- ii. The Chairperson of the Board shall be an independent Director.
- iii. The Chairperson must be suitably qualified, possessing a relevant University degree or equivalent as well as possessing expertise and experience in, but not limited to, banking and financial services, corporate governance and IT background.
- iv. The Chairperson is appointed at the first Board Meeting of the Company held after the Annual Meeting. This meeting shall also be held to ratify the new composition of the Board and the Chairperson is appointed until the next Annual Meeting.
- v. The Chairperson is responsible for leading the Board, with focus on strategic matters, overseeing the Group's business and setting high governance standards. In coordination with the Group CEO, the latter, represents the Company and maintains relations with significant stakeholders. The Chairperson shall maintain a close working relationship with the Group CEO.

### 6.1.2 Key roles and responsibilities of the Chairperson

- i. Responsible for the leadership and control of the Board and ensures its effectiveness in all aspects of its role, including the good governance of the Company and the effective operation of its Board Committees.
- ii. Ensures the Board is effective in setting and implementing the Group's direction and strategy.
- iii. Presides all Board Meetings and Annual Meetings of the Company.
- iv. Sets the Board meeting's schedules and agendas, in consultation with the Company Secretary and Group CEO. The Agendas shall primarily focus on strategy, performance, value creation, culture, governance and accountability.
- v. Ensures that all key and appropriate issues are discussed by the Board in a timely manner and the decisions taken by the Board are in the Group's best interests and fairly reflect a consensus reached by the Board.
- vi. Ensures that the strategy and policies approved by the Board are effectively implemented by the Management Team.
- vii. Ensures that the Directors receive clear, accurate, reliable and timely information to enable the Board to take sound decisions, monitor performance effectively and provide advice to promote the long-term success of the Group.
- viii. Ensures that sufficient time is allowed to Directors for discussion of critical and strategic matters and promotes a culture of openness to ascertain effective decision making, constructive debate and effective challenge.
- ix. Ensures that the composition of the Board and Board Committees reflects the skills, attributes, diversity and experience appropriate to the Company's existing and planned business operations as well as per the regulatory requirements.
- x. Arranges informal meetings of the Directors at least once annually including meetings amongst the Non-Executive Directors in the absence of the Group CEO and ensures that sufficient time and consideration is given to complex, contentious or sensitive issues.
- xi. Takes the lead, in liaison with the Company Secretary and Group CEO, in ensuring a properly constructed formal induction programme for all new Directors be provided, which shall be comprehensive and tailored to cover the key businesses and issues facing the Company.

- xii. In close liaison with the Company Secretary, Group CEO and the CGCRS Committee takes the lead in identifying and meeting the training and developmental needs of individual Directors.
- xiii. Ensures the performance of the Board, its Board Committees and individual Directors are evaluated on an annual basis, be it internally driven or externally facilitated and acts on the results of the evaluation.
- xiv. Regularly considers succession planning and composition of the Board that promotes diversity, inclusion and equal opportunity.
- xv. Ensures effective engagement between the Board and its stakeholders, including shareholders.
- xvi. With the assistance of the Company Secretary, promotes the highest standards of corporate governance, seeking compliance with the Code. If full compliance is not possible, ensure that the reasons for non-compliance are fully understood, agreed by the Board and explained to shareholders.
- xvii. Establishes a close relationship of trust with the Group CEO, providing support and advice while respecting executive responsibilities, as conferred by the Board.

## **6.2 The Group Chief Executive Officer**

### *6.2.1 Appointment of the Group CEO*

The Group CEO shall be appointed by the Board, subject to the provisions of the Constitution and in line with Section 14.1 of the Constitution, the latter shall be an ex-officio Member of the Board. The selected candidate shall satisfy the following criteria:

- i. Holds a relevant University degree or equivalent.
- ii. Has at least ten (10) years' experience as a proven and successful senior executive in banking and financial services.
- iii. Be considered as a fit and proper person to be appointed to this position, as per the terms laid out in the Act/ Bank of Mauritius Guidelines.
- iv. Be approved by any regulatory body as may be required.
- v. Agree for a credit and criminal check to be performed by the Company before being selected.

### *6.2.2 Key roles and responsibilities of the Group CEO*

- i. Responsible for the day-to-day leadership and management of the Group's operations in accordance with the business plans, budget and long-term objectives approved by the Board and oversees the operations of its subsidiaries.
- ii. Conducts the affairs of the Group in accordance with the practices and procedures adopted by the Board.
- iii. Develops and implements the Group's long-term strategy once approved by the Board.
- iv. Ensures the Board and Board Committees receive accurate, timely and clear information to enable them to discharge their fiduciary duties effectively.
- v. Ensures effective and timely implementation of all decisions of the Board.
- vi. Ensures the Board is kept informed of key business issues including any forthcoming, complex, contentious or sensitive issues affecting the Group.
- vii. Monitors the ongoing financial and non-financial performance and management of the Group so as to ensure maximum shareholder value, consistent with observing its obligations to all its stakeholders.

- viii. Responsible for the recruitment, leadership and development of the Group's Management Team who will contribute to delivering the Group's strategies and objectives.
- ix. Responsible for setting up the tone at the top and creating a positive working environment that will foster success.
- x. Supports the Chairman and the Company Secretary to ensure compliance across the Group in relation to all aspects of corporate governance and promotes high standards of integrity, probity, ethics, diversity and inclusion across the Company.
- xi. Works in concert with the Chairman and the Company Secretary to ensure a tailored-made induction programme is provided to newly appointed Directors and also supports in determining the training needs of the Board Members.
- xii. Consults and maintains regular dialogues with the Chairman, the Board and the CEOs of the subsidiaries on important and strategic issues facing the Group and ensures bringing these issues to the attention of the respective Boards/Committees.
- xiii. Ensures that the Management Team and CEOs of the subsidiaries give appropriate priority to providing reports to the respective Boards which contain relevant, accurate, timely and clear information necessary for the Boards to fulfill their duties.
- xiv. Ensures that there are procedures in place to ensure compliance with all relevant legislation and regulations, including timely and accurate disclosure of information in accordance with regulatory requirements.
- xv. Promotes and conducts the affairs of the Group with the highest standards of integrity, probity and corporate governance.
- xvi. Ensures all Group policies and procedures are followed and conformed to the highest standards.
- xvii. Establishes, in consultation with the Group Chief Risk & Compliance Officer ("Group CRCO"), a sound and optimum internal control and risk management framework across the Group.

Other terms and conditions as specified in the Constitution of the Company will prevail for the appointment of the Group CEO. In addition to the above and as per the TOR of the Board Committees, the Group CEO shall be in attendance at all the SBMH Board Committees.

## 6.3 Directors

### 6.3.1 Appointment of Directors

The process for appointment of the Directors on the Board is established under provision 2.3.1 of the Charter.

### 6.3.2 Key roles and responsibilities of the Directors

- i. Determine the Group's strategic objective and policies.
- ii. Collectively promote the success of the Group.
- iii. Attend all Board/Committees meetings and participate actively in the decision-making process while exercising independent judgement and bringing valuable knowledge and experience to the Board/Committees.
- iv. Take decisions in the best interest of the Company and its stakeholders.
- v. Monitor the delivery of the Group's strategy and constructively challenge and assist the Management in the development of same.
- vi. Monitor the performance of the Management Team against the objectives set and ensure that the Group has adequate and proper internal controls as well as a robust risk management system.

- vii. Exercise reasonable care, skills and diligence in discharging their duties.
- viii. Exercise their powers in line with the Constitution/Board Charter of the Company and the applicable laws and regulations.
- ix. Act prudently and avoid any situation of conflicts.
- x. Make the necessary disclosures as required by the applicable laws and legislations.
- xi. Maintain confidentiality at all times.

## **6.4 The Company Secretary**

### *6.4.1 Appointment*

The appointment or removal of the Company Secretary remains a matter for collective decision by the Board. The Company Secretary is accountable to the Board, through the Chairperson, on all governance matters and adherence to applicable rules and regulations.

### *6.4.2 Key roles and responsibilities of the Company Secretary*

- i. Plays a crucial role in enhancing and maintaining strong and consistent governance practices at Board level and throughout the Company.
- ii. Responsible for the efficient administration of the Company, particularly with regards to ensuring compliance with the internal policies and procedures, statutory and regulatory requirements.
- iii. Supports the Chairman in ensuring effective functioning of the Board and its Board Committees and transparent engagement between Senior Management Team and Non-Executive Directors.
- iv. Supports and works closely with the Chairman, the Group CEO and the Chairpersons of the Board Committees in setting the agendas for meetings of the Board and the Board Committees.
- v. Provides guidance to the Board in respect of its fiduciary duties, responsibilities and powers in line with the Constitution, Charter and all applicable laws and regulations.
- vi. Arranges meetings of the Shareholders and the Directors and ensures that minutes of proceedings of all these meetings are properly recorded in accordance with paragraph 8 of the Fifth Schedule and paragraph 6 of the Eighth Schedule of the Act respectively.
- vii. Supports the provision of accurate, timely and clear information flow within the Board and the Board Committees and between the Management Team and Non-Executive Directors in order to ensure the Board and Board Committees have the information and resources they need to function effectively.
- viii. Supports the Chairman and Group CEO to facilitate the induction and professional development of Non-Executive Directors as required as well as supports the Chairman in designing and delivering the Board, Board Committees, individual Director's performance evaluations.
- ix. Ensures that all statutory registers are properly maintained and certifies in the Annual Financial Statements of the Company that all returns, as required under the Act, have been filed with the Registrar of Companies.
- x. Is the primary channel of communication between SBMH and its shareholders as well as the regulatory bodies.

All the Board Members shall have access to the Company Secretary for advice or may use his/her services.

## **7. Succession planning**

As an equal opportunity employer, the Board has adopted a Group Succession Planning Policy on 20<sup>th</sup> March 2025 that seeks to (a) identify potential successors for critical roles across the entities of the SBM Group, be it at the Board, Senior Management and below Senior Management levels, (b) foster continuous talent development, (c) minimise leadership gaps and (d) support organisational stability, growth and long-term strategic goals.

The Group Succession Planning Policy shall be applicable for the succession planning of the Executive/ Non-Executive/ Independent Directors, Managing Director/Chief Executives, other members of the Management Team and below through the identification of key/critical positions within the SBM Group, including its subsidiaries in Mauritius, Madagascar, Kenya, India and new jurisdictions, if any.

In respect of the above, the Board shall consider succession planning for Directors and Management Team in accordance with the provisions of the Group Succession Planning Policy, and in so doing, shall remain guided by the annual report from REMCO that will provide a status of succession planning, leadership development programs, and any significant gaps identified in the leadership pipeline.

## **8. Relations with Shareholders**

A comprehensive communication strategy shall be implemented to engage with its stakeholders on a regular basis to understand their respective needs and required actions shall be initiated accordingly. The stakeholders are usually involved with respect to matters pertaining to the organisational position, performance of the Group and the outlook.

## **9. Review**

This Charter shall, on an annual basis, be reviewed, updated and submitted to the Board through the CGCRS Committee, for approval together with such amendments as it deems necessary and appropriate in light of the Company's requirements as well as any legal and regulatory developments.