

# SIC DEVELOPMENT CO LTD

## BOARD CHARTER

### 1. Introduction

#### 1.1 Complementary to Law and Articles

The Board Charter sets out the objectives, roles and responsibilities of the Board of Directors of SIC Development Co Ltd (hereinafter referred as 'the Company'). This Charter should be read in conjunction with the Company's constitution, the Mauritian laws and regulations.

#### 1.2 Charter on Website

This Charter is posted on the Company's website.

### 2. Composition of the Board, Positions, Committees

#### 2.1 Board Profile, Size, Expertise and Independence

##### (a) Board Profile

The Board, in consultation with the Corporate Governance Committee, shall prepare the profile of its size and composition, considering the nature of the Company's business, and the desired expertise and background of Board Members (the 'Board Profile').

##### (b) Number of Members

The Board shall have a minimum of two and a maximum of seven members.

##### (c) General Composition

The Board shall use its best efforts to ensure that:

- (i) Its members are able to act independently of one another;
- (ii) They are in a position to assess the broad outline of the Company's overall position;
- (iii) Each Board Member has sufficient expertise to perform his or her role as a Board Member;
- (iv) The Board matches the ideal Profile;
- (v) At least one Board Member is fully conversant with critical financial issues, meaning he/she has expertise in financial administration and accounting of companies similar to the Company in size and sophistication; and
- (vi) No less than two Members of the Board are independent as defined in Section 2.I(d) below.

**(d) Independence**

An independent director is a Board Member who:

- (i) has not been an employee of the Company or the group in the past three years;
- (ii) has not, or has not had in the past three years, a material business relationship with the Company either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company;
- (iii) has not received, or does not receive, additional remuneration from the Company apart from a director's fee or as a member of the Company's pension scheme;
- (iv) is not a nominated director representing a significant shareholder.;
- (v) does not have close family ties with any of the Company's advisers, directors or senior employees;
- (vi) does not have cross directorships, nor significant links with other directors, through involvement in other companies or bodies; and
- (vii) has not served on the Board for more than nine years from the date of their first election.

**2.2 (Re) Appointment; Term of Office; Resignation**

**(a) Election by Shareholders**

A meeting of shareholders shall elect Members of the Board. All Board Members shall hold office until the next annual meeting and may offer themselves for re-election.

**2.3 Chairperson and Vice- chairperson**

**(a) Election**

The Board shall elect a Chairperson from among its Members and a Vice-Chairperson if deemed necessary. The latter shall replace and assume the powers and duties of the Chairperson when the Chairperson is absent.

**(b) Duties**

The Chairperson of the Board shall primarily be responsible for the activities of the Board and its committees. He/She shall act as spokesperson for the Board and shall be the principal Board contact for Senior Executive Team. The Chairperson and the Senior Executive Team shall meet regularly. The Chairperson of the Board shall preside over the meetings of shareholders.

**(c) Responsibilities**

The Chairperson shall ensure that:

- (i) the Board fulfills its duties;
- (ii) Board Members, when appointed, participate in an induction program and, if needed, in supplementary training programs;

- (iii) Members receive all the information necessary for them to perform their duties;
- (iv) the agenda of Board meetings are determined;
- (v) the Board meetings are chaired in an effective manner;
- (vi) the Board has sufficient time for deliberation and decision-making;
- (vii) minutes of Board and committee meetings are properly recorded and stored;
- (viii) the committees function properly;
- (ix) consultations are held with external advisors appointed by the Board;
- (x) the performance of Board Members is evaluated regularly;
- (xi) problems related to the performance of individual Board Members are addressed;
- (xiii) internal disputes and conflicts of interest concerning individual Board Members, including the possible resignation of such Members as a result, are addressed; and
- (xiv) the Board has proper contact with the executive team.

## **2.4 Company Secretary**

### **(a) General Access**

The Company Secretary shall be available to Board Members for any advice required.

### **(b) Responsibilities**

The Company Secretary shall see to it that the Board follows correct procedures and that the Board meets its obligations under law and the Company's Constitution. The Company Secretary shall assist the Chairperson of the Board to organize the Board's activities (including provision of information, preparation of an agenda, report of meetings, evaluation and organization of training programs).

## **2.5 Committees**

### **(a) Establishment of Committees**

The Board may appoint committees from among its Members to perform specific tasks and determine their membership under the corporate governance structure. The Board shall establish, as a minimum, an Audit & Risk Committee and a Corporate Governance Committee.

### **(b) Board Responsibility for Committee Action**

The Board shall be collectively responsible for the decisions and actions taken by the committees. A committee may only perform the tasks delegated to it by the Board and shall not exceed the authority or powers of the Board as a whole. Decisions that, by law, must be

taken by the Board may not be delegated to a committee.

**(c) Committee Reporting**

The committees shall promptly inform the Board of the actions they have taken as well as of any major developments of which they become aware. Each Board Member will have unrestricted access to all committee meetings and records. The Board shall, as set forth in the charter of the committee concerned, receive a report from the committee describing its actions and findings.

**(d) Committee Charters**

The Board shall establish (and may amend) charters for each committee. The charters shall specify the role and responsibilities of the committee, its composition and the way it should perform its duties.

**(e) Website Disclosure**

The charters and the composition of the committees shall be posted on the Company's website.

**3. Duties and Powers**

**3.1 General Duties and Powers**

**(a) General Responsibilities**

The Board shall be responsible for the supervision and oversight of the general business of the Company.

**(b) The Board acts in the Interest of the Company**

The Board shall act in the best interests of the Company, its business, shareholders and other stakeholders.

**(c) Quality of Performance**

The Board is responsible for ensuring the standard of its own performance.

**(d) Action in Concert**

To the extent possible and remaining within the limit of their individual responsibilities as Board Members, they shall act and speak in concert with respect to important affairs and matters of principle.

**(e) Provision on Information**

The Chairperson and the Company Secretary shall see to it that the management provides, in a timely manner, to the Board and its committees with information they need to function properly.

**(h) Use of Experts**

The Board may have recourse to the services of experts for advice or assurance, the cost of which shall be agreed in advance by the Board and paid by the Company. A Board Member may rely upon the advice of a relevant expert so long as the Member has no reason to question the expert's report or conclusion.

**3.2 Duties Regarding the Supervision of Management**

**(a) Nature of Supervision**

In supervising management, the Board shall consider:

- (i) the achievement of the Company's objectives;
- (ii) the strategy and risks inherent in the Company's activities;
- (iii) the structure and operation of the internal risk management, and audit and control systems;
- (iv) the financial reporting process;
- (v) compliance with law and regulations; and
- (vi) any other matters the law requires the Board to consider.

**(b) Financial Reporting**

The Board shall, in consultation with the Audit and Risk Committee, supervise the Company's financial reporting.

**(c) Annual Risk Review**

At least once a year, the Board shall discuss the Company's strategy and business risks, the management's assessment of the internal risk management and control systems, and any significant changes to such systems.

**3.3 Duties Regarding the Members and the Performance of the Board**

**(a) Duties Regarding Board**

The duties of the Board in relation to the Members of the Board include:

- (i) The appointment of a Chairperson, the establishment of committees and defining their role, the evaluation of the Board, its individual Members and its committees (including an

evaluation of the Board profile and the induction, education and training program); the approval of other positions of Board Members to the extent required under this Charter; and

(ii) addressing any conflict of interest issues between the organisation and Members of the Board.

**(b) Board Assessment**

At least once a year, the Board shall evaluate its own activities and those of its individual Members, the effectiveness of such activities, and competence of the Board and its committees.

**4. Relations with Shareholders**

**(a) General Meeting; Record Date; Venue**

The Board shall determine the date and place of any meeting of shareholders and date for the exercise of any voting. The Board shall use its best efforts to provide shareholders with all information necessary or requested for the shareholders to properly act at the meeting of shareholders.

**(b) Attendance by Board Members**

The Chairperson shall ensure that (unless there are important reasons) all Members of the Board attend the meetings of shareholders.

**(c) Disclosure of Resolutions**

A resolution of the meeting of shareholders shall be publicly disclosed only through a statement from the Chairperson of the Board or the Company Secretary.

**5. Board Meetings; Decision-Making**

**5.1 Frequency, Quorum, Notice, Agenda and Venue of Meetings**

**(a) Frequency**

The Board shall meet as often as necessary, but not less than four times a year.

**Quorum**

**(b)** Quorum of the Board shall be a majority of directors appointed by the Company.

**(c) Notice and Agenda**

Meetings of the Board shall be called by the Chairperson. Save in urgent cases, as determined

by the Chairperson, the agenda for a meeting shall be sent to all Board Members at least five calendar days before the meeting. To the extent possible, for each item of the agenda, an explanation in writing shall be provided and related documentation attached. Management shall consult the Chairperson on the content of the agenda.

**(d) Venue**

Board meetings are generally held at the registered office of the Company. Where personal attendance of some or all the Directors is not possible, meetings of the Board may be held by audio conference and/or video call/video conference.

**5.2 Attendance of and Admittance to Meetings**

**(a) Attendance by Managing Director/Executive Director**

The Managing Director/Executive Director, if appointed, shall attend Board meetings. If requested by the Board, other executives shall also attend meetings of the Board in whole or in part.

**(c) Undue Absence**

If a Board Member is frequently absent from Board meetings, he/she shall be required to explain such absences to the Board.

**(d) Attendance by Non-Members**

The admission to a meeting of persons other than Board Members, the Managing Director/Executive Director, the Company Secretary and (if invited) other executives, shall be decided by majority vote of the Board Members present at the meeting.

**5.3 Decision-Making within the Board**

**(a) Preference for Unanimity**

Board Members shall try to unanimously adopt resolutions. Dissenting opinions shall be recorded in the minutes when unanimity cannot be reached.

**(b) Individual Vote**

Each Board Member has the right to cast one vote.

**(c) Majority Vote; Quorum**

All resolutions of the Board are adopted by a majority of the votes cast. At a meeting, the Board may pass resolutions only if the quorum is present.

**(d) Written Resolutions**

Board resolutions may also be adopted in writing, provided the proposal concerned is submitted to all Board Members entitled to receive notice of meeting and none of them objects to this form of adoption.

**(e) Minutes**

Minutes shall be drawn up for every Board meeting and signed by the Chairperson. The minutes of Board Meetings and the resolutions in writing must be added to the Company's records. Each member of the Board is entitled to a copy of the minutes and the resolutions in writing.

**(f) Certification of Resolutions**

A resolution adopted by the Board shall be publicly disclosed to relevant stakeholders only through a statement from the Chairperson of the Board or the Company Secretary.

**6. Other Provisions**

**6.1. Conflicts of Interest of Board Members**

**(a) Duty to Disclose**

The personal interests of a Board Member, or persons closely associated with him/her, must not take precedence over those of the Company.

A Board Member shall immediately disclose to the Board any conflict of interest or potential conflict of interest and shall provide all relevant information, including information concerning persons closely associated with him/her and cause same to be entered in the Interest Register. The Board Member concerned shall not take part in the assessment by the Board of whether a conflict of interest exists.

**(c) Abstention by Conflicted Party**

A Board Member shall not take part in any discussion or decision-making regarding any subject or transaction in which he/she has a conflict of interest with the organization.

**(d) Requirements to Approve Conflicts of Interest**

All transactions in which there are conflicts of interest with Board Members shall be agreed on terms that are customary for arm's-length transactions in the organisation's business. Decisions to enter into transactions in which there are conflicts of interest with Board Members require



the approval of the Board.

## **6.2 Compensation of Board Members**

### **(a) Approval by General Meeting**

The compensation of the Board Members is determined by the shareholders. The Board may submit proposals to the shareholders.

### **(b) Reimbursement of Costs**

Apart from their compensation, Board Members shall be reimbursed for all reasonable costs incurred in connection with their attendance of meetings.

### **(c) Loans and Guarantees**

The Company do not grant personal loans, guarantees or the like to Board Members, save as part of its usual business operations.

## **6.3 Induction Program, Ongoing Training and Education**

### **(a) Induction Program**

Upon his or her election, each Board Member shall participate in an induction program.

### **(b) Annual Review of Training**

The Board shall conduct an annual review to identify areas where the Board Members require further training or education.

### **(c) Costs of Organisation**

The costs of the induction course and any training or education shall be paid by the Company.

## **6.4 Confidentiality**

### **(a) Duty to Keep Information Confidential**

Unless required to do so by law, no Board Member shall, during his or her Membership of the Board or afterwards, disclose any information of a confidential nature regarding the business of the Company and/or any companies in which it holds a stake, that came to his or her knowledge in the capacity of his or her work for the organisation and which he/she knows or should know to be of a confidential nature. A Board Member shall not use such confidential information for his or her personal benefit.

**(b) Notice of Disclosure**

If a Board Member intends to disclose to third parties information which he/she has become aware of in his or her duties and which may be confidential, he/she must inform the Chairperson of his or her intent and the identity of the person who is to receive the information with sufficient notice for the Chairperson to assess the situation and advise the Board Member.

**6.5 Miscellaneous**

**(a) Acceptance by Board Members**

Anyone who is appointed a Board Member must, upon assuming office, declare in writing to the Company that he/she accepts and agrees to comply with the provisions of this Charter.

**(b) Occasional Non-Compliance**

If permitted by law, the Board may occasionally decide (by unanimous decision) at its sole discretion not to comply with the provisions of this Charter.

**(c) Amendment**

This Charter may be amended by the Board at its sole discretion without prior notification.

**(d) Interpretation**

In case of uncertainty or difference of opinion as to how a particular provision of this Charter should be interpreted, the opinion of the Chairperson of the Board shall be decisive.

**(e) Partial Invalidity**

If one or more provisions of this Charter are (or become) invalid, this shall not affect the validity of the remaining provisions. The Board may replace the invalid provisions by provisions which are valid and the effect of which, given the contents and purpose of this Charter is, to the greatest extent possible, similar to that of the invalid provisions.

**Reviewed by the Board on Wednesday 18 March 2020**