

**CHARTER OF
AUDIT, RISK AND
CORPORATE GOVERNANCE
COMMITTEE**

MAURICE STR△TÉGIE

2023

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INTRODUCTION

The National Code of Corporate Governance for Mauritius 2016 (NCGC) stipulates that all organizations should have, at a minimum, an Audit Committee. The Audit, Risk and Corporate Governance Committee (“the Committee”) is established by the Board of Directors of Maurice Stratégie (“the Board”) and may only perform the tasks delegated to it by the Board and may not exceed the authority or powers of the Board as a whole.

SCOPE

This charter sets out the authority delegated by the Board to the Committee and the Committee’s role, responsibilities, powers, composition, and operations.

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities regarding financial reporting, risk management, internal controls, organization governance and internal and external audit responsibilities.

RESPONSIBILITIES OF THE COMMITTEE

The Committee has the following responsibilities:

- **Internal audit**

The Committee shall

- Annually review the quality of the internal control;
- Review and assess the annual internal audit plan;
- Regularly review reports issued by the internal and external auditors;
- Review the annual report including the internal control and risk management;
- Review and monitor management’s responsiveness to the internal auditor’s findings and recommendations; and
- Direct and supervise investigations into matters within the scope for example

evaluations of the effectiveness of the organisation's internal control, cases of employee fraud, misconduct or conflict of interest.

- **External audit**

The Committee shall provide independent and objective assurance to the Board and the shareholders that Maurice Stratégie's financial statements are accurate, complete, and prepared in accordance; with generally accepted accounting principles and applicable laws and regulations. The Committee shall

- Discuss the annual report and quarterly financial statements;
- Advise the board on the appointment and re-appointment of the external auditors including remuneration and terms of engagement;
- Approval of terms of engagement including engagement letter issued at the start of each audit;
- Monitor the auditor's compliance with relevant ethical and professional guidance on the rotation of audit partner;
- Review the findings of the audit with the external auditor;
- Review any representation letter requested by the external auditor; and
- Review management letter and management's response to the auditor's findings and recommendations.

- **Risk and Compliance**

The Committee advises the Board on the risk appetite, defining the risk strategy and compliance with the risk appetite and strategy. The committee shall:

- Monitor implementation of the risk appetite and monitors the risk exposure;
- Monitor the effectiveness of the processes to identify, measure and manage risks that the organization is exposed to;

- Monitor compliance with statutory/regulatory policies and keep abreast with relevant changes; and
- Assess compliance risk and discuss same with the Head of Compliance to establish whether they are properly identified, recognized and managed.

The Committee shall also assist the Board and management by providing advice and guidance on the adequacy of Maurice Stratégie's initiatives for:

- Values and Code of ethics
- Governance structure
- Risk management
- Business Conduct; and
- Whistleblowing and fraud

TERMS OF REFERENCE OF THE COMMITTEE

The Terms of Reference of the Committee, as approved by the Board, are as follows:

- a) Oversee matters related to financial reporting, internal control systems, risk management systems and the internal and external audit responsibilities of Maurice Stratégie;
- b) Review the budgets and financial statements of Maurice Stratégie, prior to approval by the Board;
- c) Assess the controls and best practices put in place by Maurice Stratégie to mitigate any operational and reputational risks;
- d) Set up priorities for the conduct of internal audits, including audit of internal control systems put in place to mitigate the risks of Maurice Stratégie;
- e) Report to the Board on the internal audits as and when internal audits are completed.
- f) Determine, agree, and develop Maurice Stratégie's general policy on corporate governance in accordance with the recommendations of the NCGC

g) Ensure compliance with the principles of the NCGC when disclosing on corporate governance in the annual report.

COMPOSITION OF THE COMMITTEE

The Committee shall comprise entirely of non-executive directors. The Committee members should have the appropriate balance of skills, experience, independence, and knowledge of Maurice Stratégie to enable them to discharge their respective duties and responsibilities effectively and to assist the Committee to perform its functions.

- **Chairperson of the Committee**

The Chairperson of the Committee will be nominated by the Board. Where the Chairperson of the Committee is unavailable for a meeting, another Committee member will act in that capacity as chosen by the remaining Committee members present.

The Chairperson of the Board and/ or the Executive Director shall not be eligible to be appointed as Chairperson of the Committee. The Executive Director shall not be a member of the Committee.

- **Members**

The Committee shall consist of at least three (3) members of the Board, all of whom shall be non-executive and independent.

The Chairperson of the Committee and at least one of its other members shall possess accounting or related financial management expertise ideally with a professional qualification from one of the professional accountancy bodies, and at least one member shall have expertise in risk management.

- **The Committee Secretary**

The Secretary of the Committee shall be appointed and approved by the Board for such period as may be determined by the Board. The Secretary shall ensure that the Committee members receives information and papers in a timely manner to enable full and proper consideration of matters set out in the agenda of Committee meetings.

The Secretary of the Committee shall keep all records, including the agenda, minutes of proceedings, any reports or recommendations and decisions of all meetings of the Committee.

FREQUENCY OF MEETINGS AND QUORUM

The Committee shall meet as least four times per year, or more frequently as necessary, to carry out its responsibilities.

The quorum necessary for the meetings shall be at least two members, one must be an independent director

NOTICE AND MINUTES OF MEETINGS

Meetings of the Committee shall be convened by the Secretary of the Committee at the request of its Chairperson in consultation with the other members and/or management.

The agenda and notice of meeting shall be circulated to all members of the Committee with reasonable notice. Minutes shall be approved at the next meeting of the Committee.

Committee meetings are permitted to be held in person, or by any technological means as consented to by the Chairperson of the Committee.

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ATTENDEES

The Chairperson of the Committee may invite non-Committee members such as the company's senior management and/or external parties to attend meetings of the Committee, depending on the agenda of the meeting. The attendees should not participate if they have an interest in the matter under consideration.

It is expected that the Executive Director shall attend to the Committee's meetings where appropriate.

IRREGULARITIES

An irregularity in the notice or proceedings of a meeting is deemed to be waived if all members of the Committee entitled to attend and vote at the meeting, attend the meeting without protest as to the irregularity, or if all such members of the Committee agree to the waiver.

REPORTING

The Committee shall report regularly to the Board on its activities and any matters discussed, findings and recommendations of the Committee.

CHARTER REVIEW

The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

This Charter shall be accessible on Maurice Stratégie's website.

APPROVED AND ADOPTED BY THE BOARD OF MAURICE STRATÉGIE ON 4 MAY 2023

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