

2023

# BOARD CHARTER

Board of directors

# TABLE OF CONTENT

• Introduction	3
• Scope	3
• Composition of the board, position and committees	3
• Committees	8
• Duties and powers	5
• Board meetings	9
• Annual reports and accounts	12
• External auditor	12
• Remuneration	13
• Other positions	13
• Closing statement	13

# INTRODUCTION

The Board Charter (the “Charter”) sets out the objectives, roles and responsibilities and composition of the Board of directors (the “Board”) of Maurice Stratégie’ (the “Company”). This Charter should be read in conjunction with the Companies Act 2001 as amended. The Charter will be governed by the relevant guidelines issued by the National Code of Corporate Governance of Mauritius and will not, in any way, conflict with same.

## SCOPE

The provisions contained in this Board Charter are subject to applicable laws and regulations, including the Companies Act 2001 (amended). This Charter and other Sub-committee charters are posted on the organisation’s website.

## COMPOSITION OF THE BOARD, POSITION AND COMMITTEES

- **Board Profile, Size, Expertise and Independence**

The Board should have an appropriate combination of independent directors and non executive directors. The Board should be a size of and level of diversity commensurate with the sophistication and scale of the organization. Appropriate Board Committees may be set up to assist the Board in the effective performance of their duties. The Board shall consist of the following:

- (a) The Financial Secretary of the Ministry of Finance, Economic Planning and Development;
- (b) Deputy Financial Secretaries of the Ministry of Finance, Economic Planning and Development;
- (c) The Chief Executive Officer of the Economic Development Board;
- (d) The Director of Statistics Mauritius;
- (e) A representative of the Bank of Mauritius; and
- (f) A representative of the Mauritius Revenue Authority

- **The Chairperson**

The Chairperson is a non-executive person appointed and is primarily responsible for the activities of the Board and its committees. He acts as the spokesman for the Board and is the principal contact for the Executive Director.

The Chairperson provides leadership at Board level and is responsible for ensuring the integrity and effectiveness of the Board and its committees. The Chairperson is required to:

- a. Ensure that the Board performs its duties in compliance with the law;
- b. Set the ethical tone for the Board and the organisation;
- c. Provide overall leadership to the Board without limiting the principle of collective responsibility for Board decisions, while at the same time being aware of the individual duties of Board members;
- d. Ensure that the agendas of Board meetings are determined and discussed with the Executive Director and the Secretary to the Board;
- e. Ensure that the Board members receive all information necessary for them to perform their duties;
- f. Ensure that the Board meetings are chaired in an effective manner;
- g. Preside over Board meetings and ensure that material issues for consideration are tabled and interrogated effectively to ensure optimal Board decision-making and governance, manage conflicts of interest and act as a link between the Board and management, particularly the Board and the Executive Director;
- h. Ensure that the committees function properly;
- i. Ensure that all directors are appropriately made aware of their responsibilities through a tailored induction programme, and ensure that a formal programme of continual professional education is adopted at Board level;

Monitor how the Board works together and how individual directors perform and interact at meetings and ensure that a formal performance evaluation of the Board, Board committees and individual directors is conducted at least every year and that every alternate year, an opportunity is provided for reflection and discussion by the Board of its performance and that of its committees, its chair and its members as a whole; and

k. Ensure that internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result thereof are addressed.

The Chairperson cannot chair any committees set up by the Board.

- **Secretary to the Board**

The decision to appoint or remove the Secretary is a Board decision. The Board should be assisted by a competent, suitably qualified and experienced Secretary. The Secretary acts as a vital bridge between the Board and the executive management. The Secretary must have access to Board Members (executive, non-executive, Executive Director and Chairperson).

The Secretary shall have the responsibility of applying and implementing the principles in the Code to the Company Secretary.

The Secretary is accountable to the Board and shall have the following responsibilities, amongst others:

a. To provide the Board as a whole and directors individually with guidance as to their roles and responsibilities, advising and assisting the directors with respect to their duties and responsibilities, in particular compliance with prevailing regulations.

b. Assist the Chairperson of the Board in organizing the Board's activities (including providing information, preparing an agenda, reporting of meetings, evaluations, and training programs).

c. Undertake an annual review and update of Board Charter and Board sub committees terms of reference.

d. Coordinate annual performance evaluations of the Board, Board Committees in line with good governance practices.

e. Coordinate the induction of new Board and Board subcommittees' members.

f. Coordinate and organize meetings related to the Board and Board Committees.

g. Undertake any other administrative work as assigned by the Chairperson and Vice Chairperson. However, it should be Board Related Issues/Work such as assisting in implementation of Board Decisions/ Preparation of Agenda/Matters Arising & Others.

h. In relation to the Board meeting:

- To prepare the agenda in consultation with the Chairperson for all the meetings of the Board of Directors;
- To prepare minutes and resolutions of all the meetings of the Board of Directors;
- To distribute notice of each meeting, confirming the venue, time and date prior to the meeting;
- To distribute minutes and resolutions within reasonable time from date of meetings.
- To distribute action items arising from the meeting within reasonable time after the meeting was held.
- To follow up on matters arising from meetings and to ensure that responses thereto is obtained and submitted as per agreed time frames.
- To arrange with and to call and hold meetings of the Board of Directors and to provide accurate record of proceedings.
- To call for, collate, prepare, and distribute board packs to Board and Committee members in the prescribed format.

i. To maintain the following statutory books:

1. The register of Board and Board subcommittee members.
2. Register of Members,
3. Minute books.
4. Resolution Register.
5. Register of Interest.

j. Assist in preparation of the Annual Report and Corporate Governance Report for insertion in the Audited Financial Statements; and

k. To ensure that there is a quorum for meetings.

- **The rights and duties of individual directors**

Directors have a duty to act in the best interest of the organisation, to act with due care, diligence and skill in discharging their duties as directors, to declare and avoid conflicts of interest with the organization.

Directors have a responsibility to carry out their duties diligently, in an honest manner, with reasonable competence and act within the scope of their authority. They must consistently attend Board meetings and devote sufficient time to ensure familiarity with the Company's business and environment. Directors should ensure observance of confidentiality provisions of non-public information disclosed to them. They must act in a manner which enhances and maintains the reputation of the Company at all times.

Directors must comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company. Directors must deal fairly, and must oversee fair dealings by employees and officers, with the Company's customers, suppliers, competitors and employees. Directors should encourage the reporting of any illegal or unethical behaviour. They should communicate any suspected breaches of this Code promptly to the Chairperson of the Corporate Governance Committee or any other person responsible for Compliance in the Company. Any breach of the Code will be investigated and appropriate actions taken as necessary.

Directors may at any time request a meeting with the Chairperson and will individually meet with the Chairperson on an annual basis to discuss the Board and

committee matters. Directors have access to executive management and the Secretary of the Board for advice about the governance of the organisation and Board procedures and may after consultation with the Chairperson, obtain such external advice as they may consider necessary to properly discharge their duties to the organisation.

## COMMITTEES

The Board may appoint committees from among its members to perform specific tasks. The Board shall determine the members of any committee. The Board shall establish an Audit and Corporate Governance Committee, a Human Resource Committee and other Committees as it may deem fit.

- **Establishment of committees**

The Board is empowered to appoint Board committees and to delegate powers to such committees but remains collectively responsible for the decisions and actions taken by any committee and shall review the effectiveness and performance of committees annually.

- **Committee Charters**

The Board shall establish charters for each committee. The respective committee charters shall indicate the role and responsibilities of the committee its composition and how it should perform its duties.

## DUTIES AND POWERS

- **General Duties and Powers**

The role, function and powers of the Board, its members and its committees are determined by law, corporate governance best practices and decisions and policies of the Board.

- **Duties Regarding the Supervision of Management**

In its supervisory role towards management the Board shall consider :

- a. the achievement of the organization's objectives;
- b. the strategy and risks in the organization's activities;



- c. the structure and operation of the internal risk management, and audit and control systems;
- d. the financial reporting process;
- e. compliance with law and regulations;
- f. any other matters the law requires the Board to consider

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

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

The duties of the Board (in consultation with the appropriate Board committees) include:

- a. the establishment of committees and defining their roles, 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).
- b. addressing any conflicts of interest issues between the organization and members of the Board.
- c. At least once a year, the Board shall evaluate its own activities and those of its individual members, the effectiveness of such activities, and the composition and competence of the Board and its committees.

## **BOARD MEETINGS**

- **Frequency**

The Board shall meet as often as necessary, but not less than 4 times a year. Meetings shall be scheduled annually in advance according to an annual Board calendar. The Board shall meet earlier than scheduled if deemed necessary by the Chairperson of the Board or two other members of the Board

- **Attendance and Quorum**

Board members will use their best endeavours to attend all meetings of the Board and Board committees, including meetings called on an ad hoc basis for special matters, unless prior apology have been submitted to the Chairperson or the Secretary. Board members must be fully prepared for Board meetings to be able to provide appropriate and constructive input on matters for discussion. They are expected to participate fully, frankly, and constructively in Board discussions and to bring the benefit of their particular knowledge, experience, skills and abilities to bear in discharging their duties as directors.

Attendance in person at scheduled meetings of the Board and Board committees is preferred under ordinary circumstances, but electronic conferencing that allows full and effective participation in the meeting will be made available should attendance in person not be possible.

In the absence of the Chairperson at a meeting of the Board, another Director shall chair that meeting. At any meeting of the Board, five (5) members shall constitute a quorum. The Board may co-opt such other persons as may be of assistance in relation to any matter before the Board. Such co-opted person shall have no right to vote on any matter before the Board.

Meetings of the Board can be exceptionally called at very short notice in urgent cases, as determined by the Chairperson. If a Board member is frequently absent from Board meetings, he/she shall be required to explain such absences to the Chairperson.

The Executive Director shall unless otherwise directed by the Board, attend every meeting of the Board and may take part in its deliberations but shall have no right to vote on any matter. If requested by the Board, other executives shall also attend meetings of the Board in whole or in part.

A Board member may be represented at Board meetings by another Board member holding a proxy in writing. The existence of such authorization must be proved satisfactorily to the Chairperson of the meeting.

- **Agenda, meeting papers and minutes**

A detailed agenda, together with supporting documentation must be circulated, as far as possible, within a reasonable time prior to each meeting to the members of the Board and other invitees. The Chairperson, with the assistance of the Executive Director and the 7 Secretary of the Board, must ensure that the agenda, as prepared, raises all relevant issues requiring attention in such a way and sequence that effective proceedings are facilitated.

Any Board member and the Executive Director have the right to request that an item be put on the agenda for a Board meeting; provided that the item is notified to the Chairperson at least ten days prior to the meeting.

All meeting papers and submissions made at the Board meeting are strictly confidential and directors must under no circumstances circulate them to any other parties.

The minutes must be completed as soon as possible after the meeting and circulated to the Chairman of the Board for review thereof. The Minutes of the previous Board meeting shall be approved at the next meeting of the Board. The Minutes of every Board Meeting shall be signed by the Chairperson and the Secretary to the Board

- **Voting**

Each Board member has the right to cast one vote. The Chairperson shall not have a casting vote. A resolution of the Board is passed if it is agreed to by all Board members present without dissent or if a majority of the votes cast on it are in favour of it.

A Board member present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he/she expressly dissents from or votes against the resolution at the meeting.

- **Written Resolutions**

Board resolutions may also be adopted in writing, provided the proposal concerned is submitted to all Board members and none of them objects to this form of adoption. Adoption of resolutions in writing shall be effected by statements in writing from all the Board members. A statement from a Board member who wishes to abstain from voting on a particular resolution which is adopted in writing must reflect the fact that he/she does not object to this form of adoption.

- **Irregularities**

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

## **ANNUAL REPORTS AND ACCOUNTS**

The Board is required to approve the annual report of the Company in compliance with the statutory deadlines. The Board in consultation with the Audit and Corporate Governance Committee supervise the compliance with the written procedures for the preparation and publication of the annual report and accounts and any other financial information.

The Audit, Risk and Corporate Governance Committee shall regularly provide the Board with reports on the annual report and accounts which will then be discussed the meeting of the Board.

## **EXTERNAL AUDITOR**

The Board shall ensure that the external auditor attends the meeting of the Board at which the report of the external auditor with respect to the audit of the annual accounts is discussed and Board decides whether or not to approve the annual report.

The Board's principal contact with the external auditor is through the Chairperson of the Audit, Risk and Corporate Governance Committee. If any irregularities in the financial reports are discovered, the first discussion regarding such irregularities should be between the Audit, Risk and Corporate Governance Committee and the external auditor.

- **Duties regarding nomination and assessment of external auditor**

### **Appointment of external auditor**

The external auditor shall be appointed by the general meeting of shareholders. The Board shall nominate a candidate for this appointment to the general meeting of shareholders based on an open, transparent and competitive selection process and may recommend replacement of the external auditor. The Audit, Risk and Corporate Governance Committee shall advise the Board on such matters.

### **Compensation of external auditor**

The compensation of the External Auditor, and instruction to the external auditor to provide non-audit services, shall be closely reviewed and approved by the Board on the recommendation of the Audit, Risk and Corporate Governance Committee, thus ensuring for the auditor's independence.

### **Reports to the Board**

The Audit, Risk and Corporate Governance Committee shall report their dealings with the external auditor to the Board on an annual basis, including their assessment of the external auditor's independence (example audit partner rotation and the desirability of the external auditor providing audit and non-audit services).

### **Assessment**

At least once every three years, the Audit, Risk and Corporate Governance Committee shall conduct a thorough assessment of the functioning of the external auditor in the various entities and capacities in which the external auditor acts.

The Board shall put the external auditor contract out to tender at least every 7 years and consider whether the audit partner should be rotated at least every 5 years.

### **Remuneration**

Adequate remuneration is necessary for attracting, retaining and motivating high-quality directors. The determination of remuneration and the remuneration levels vary according to the type of sector and the sophistication and scale of the organisation. The annual report should include a statement of the remuneration policy.

The remuneration policy should set remuneration levels that are fair and reasonable in a competitive market for the skills, knowledge and experience required by the company. In addition, all Boards should consider disclosing details of the remuneration paid to each individual director in their annual report. Privacy considerations may need to be taken into consideration, and if so, explained

### **Other Positions**

Board members must inform the Chairperson of the Board and the Secretary to the Board of their other positions which may be of importance to the organization or the performance of their duties before accepting such positions. If the Chairperson determines that there is a risk of a conflict of interest, the matter shall be discussed by the Board in accordance with this charter.

At the end of each Board member's term of office, he/she shall return all confidential documents in his or her possession to the organisation or guarantee their disposal in a manner that ensures confidentiality is preserved.

### **Closing Statement**

This Board Charter is not intended to replace or amend any statutory documents of the Company or the provisions of the Companies Act 2001 in any way whatsoever. In the event of a conflict between the Companies Act and the Board Charter, the provisions of the Companies Act 2001 shall prevail. The Board Charter is also not intended to contain a comprehensive summary of the applicable legal principles. Board members requiring advice in respect of any matter referred to in this Charter should consult the Secretary of the Board in this regard.

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

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

2023

# BOARD CHARTER

Board of directors