



# TERRA MAURICIA LTD

Board Charter

For the future. From 1838

**terra**

## TERRA MAURICIA LTD (THE "COMPANY")

### BOARD CHARTER

#### A. Introduction

- As recommended by the National Code of Corporate Governance for Mauritius (2016), the Board of Terra Mauricia Ltd has considered and deemed appropriate to adopt this Board Charter.
- This Charter sets out the composition, responsibilities, powers and statutory procedures of the Board of directors of Terra Mauricia Ltd, which is a unitary Board and is also in line with the Company's constitution.
- The Charter shall be reviewed at least every three years and may be amended from time to time by the Board, upon recommendation from the Corporate Governance Committee and its existence shall be disclosed in the Annual Report.
- These provisions are complementary to the requirements regarding the Board and Board members contained in Mauritian legislation and regulations, the constitution of the Company and the provisions governing the relationship between the committees and the Board as contained in the charters of the committees (which have been adopted by the Board).
- This Charter, or a summary thereof, is posted on the Company's website.

#### B. Chapter I: Composition of the Board, Positions; Committees

##### I. Board Profile, Size, Expertise and Independence

- (a) **Board Profile.** The Board, in consultation with the Corporate Governance Committee, shall adopt a profile of its size and composition, considering the nature of the Company's business and its subsidiaries, and the desired expertise and background of the Board members (the 'Board Profile').
- (b) **Number of Members.** According to Clause 20.1 of the constitution of the Company, the Board shall consist of not less than seven (7) and not more than eleven (11) directors.
- (c) **General Composition.** The Board shall, in line with (a) and (b) above, use its best efforts to ensure that:
  - (i) Its members can act critically and independently of one another;
  - (ii) Each member will be in a position to assess the broad outline of the Company's overall policy;
  - (iii) Each member has sufficient expertise to perform his or her role as a Board member within the Board Profile;
  - (iv) At least one member is a financial expert, meaning he/she has expertise in financial administration and accounting for companies similar to the Company in size and sophistication;
  - (v) Not less than 2 of the members are independent as defined below; and
  - (vi) At least 25% of the members are women.
- (d) **Present Board Profile.** The Board currently consists of 11 directors made up of:
  - (i) Five (5) non-executive directors proposed by the controlling shareholder as defined in the Listing Rules of the Stock Exchange of Mauritius,
  - (ii) A minimum of Two (2) and a maximum of Three (3) non-executive independent directors selected and recommended by the Corporate Governance Committee,
  - (iii) The Managing Director,

- (iv) A minimum of Two (2) and a maximum of Four (4) executive directors, and
- (v) A minimum of Three (3) women.

**(e) Independence.** An independent director is a Board member who:

- (i) Is not, and has not been employed by the Company or any of its related parties at any time during the past three years;
- (ii) Is not, and has not been affiliated with an organisation that acts as an advisor or consultant to the Company or its related parties, nor is not and has not him/herself acted in such capacity at any time during the past three years;
- (iii) Is not, and has not been affiliated with any significant customer or supplier of the Company or its related parties (i.e. an organisation that makes payments to, or receives payments from the Company or its related parties for property or services in an amount which, in any single fiscal year, exceeds the greater of MUR 5M, or 2% of such other organisation's consolidated gross revenues) at any time during the past three years;
- (iv) Does not currently have, nor had any personal service contracts with the Company, its related parties or its senior management at any time during the past three years;
- (v) Is not affiliated with any non-profit organization that receives significant funding from the Company or its related parties;
- (vi) Does not receive, and has not received any additional remuneration from the Company apart from a Board member's remuneration, nor participates in the Company's share option or performance-related payment plans, nor is a participant of the Company's pension plan;
- (vii) Is not employed as an executive officer of another organisation where any of the Company's executives serve on that organisation's Board;
- (viii) Is not a member of the immediate family of any individual who is, or has been at any time during the past three years, employed by the Company or its related parties as an executive officer;
- (ix) Is not, nor has been at any time during the past three years, affiliated with or employed by a present or former auditor of the Company or auditor of any related party;
- (x) Does not have cross directorships nor significant links with other directors through involvement in other companies or bodies;
- (xi) Is not a controlling person of the Company (or member of a group of individuals and/or entities that collectively exercise effective control over the Company) or such person's immediate family, heir, legatee and successor of any of the foregoing, (or any trust or similar arrangement of which any such persons or a combination thereof are the sole beneficiaries) or the executor, administrator or personal representative of any person described in this paragraph who is deceased or legally incompetent; and
- (xii) Has not served on the Board for more than nine successive years from the date of his/her first election.

The Board, at its sole discretion, reserves the right to grant waivers to the above criteria so that knowledge, experience, skills and integrity are privileged in the nomination process of independent directors.

## II. (Re) Appointment; Term of Office; Resignation

- (a) **Election by Shareholders.** The directors shall be appointed by an Ordinary Resolution of shareholders in General Meeting. They are removed, disqualified or cease to hold office according to Clause 20.4 of the Company's constitution and Sections 133, 138 and 139 of the Companies Act 2001.

- (b) **Substance of Nominations and Recommendations.** A nomination or recommendation by the Corporate Governance Committee to the Board for a candidate shall state :
- (i) the candidate's age,
  - (ii) his or her profession,
  - (iii) the amount and nature of any shares held in the Company,
  - (iv) any convictions for any crimes involving dishonesty, fraud or breach of trust,
  - (v) the positions s/he holds or has held in the past five years (including memberships on any Board or management governing bodies/executive committees), nominating shareholder [if applicable], and
  - (vi) any other information relevant to assess his or her suitability as a member of the Board.

The recommendation or nomination for appointment or reappointment shall state the reasons for the nomination or recommendation. Any nomination or recommendation by the Board for appointment or reappointment of a Board member must be in accordance with Section B of this charter, including the Board Profile.

- (c) **Reappointment.** Before recommending a member of the Board for reappointment, the Board must carefully consider his or her past performance on the Board.
- (d) **Staggered Retirement.** Board members shall retire periodically by rotation according to Clause 20.5 of the Company's constitution.
- (e) **Casual Vacancy.** The directors have the power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors but so that the total number of directors shall not at any time exceed the number fixed in accordance with the Company's constitution. The director appointed to fill up the vacancy shall hold office only until the next following Annual Meeting and shall then be eligible for re-election. The continuing directors shall act notwithstanding any vacancy on the Board. If their number is reduced below the number fixed by, or pursuant to, the Company's constitution as the minimum number of directors, the continuing directors will act only for the purpose of summoning a General Meeting of the Company.

### III. Chairperson

- (a) **Election.** The Board shall elect a chairperson from among its members. The chairperson shall be a nonexecutive director and, as far as possible, an independent director.
- (b) **Duties.** The chairperson of the Board is primarily responsible for the activities of the Board and its committees. S/he shall be accountable to the Board and ultimately to the shareholders. S/he should be a firm, objective and open-minded leader, assuming her/his role by bringing the independence of mind and intellectual honesty. The chairperson is expected to be impartial and objective so as to support the right decisions for the organisation. S/he shall act as the spokesperson for the Board and is the principal contact for the chief executive officer (CEO). The CEO and the chairperson of the Board shall meet regularly. The chairperson of the Board presides over the General Meeting of shareholders.
- (c) **Responsibilities.** The chairperson ensures that:
- (i) Board members, when appointed, participate in an induction program and, as needed, additional education or training programs, after proper identification of the development needs of the directors;
  - (ii) The Board members receive all information necessary for them to perform their duties;
  - (iii) The Board is effective in its tasks of setting and implementing the Company's direction and strategy;
  - (iv) The Board has sufficient time for consultation and decision-making;
  - (v) The Board committees function properly;

- (vi) The Board's decisions are executed;
- (vii) The performance of the Board members is evaluated at least once every two years;
- (viii) The Board has proper contact with the executive committee; and
- (ix) The Statement of Compliance is filed with the Financial Reporting Council, along with a Director, to confirm that the Company has complied fully, partially or has not complied with the Code of Corporate Governance.

In addition, the chairperson is primarily responsible for:

- (i) Ensuring the Board satisfies its duties and being effective in its tasks of setting and implementing the Company's direction and strategy;
- (ii) Determining the agenda of Board meetings, chairing such meetings in an effective manner and ensuring that minutes are kept of such meetings;
- (iii) Consulting with external advisors appointed by the Board;
- (iv) Addressing problems related to the performance of individual Board members;
- (v) Addressing internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result;
- (vi) Ensuring that the development needs of the Board members are identified and that appropriate training be provided to continuously update the skills and knowledge of the Board members, so that they are in a position to adequately fulfill their role on the Board and on its committees;
- (vii) Identifying the development needs of the Board as a whole to promote Board effectiveness as a team;
- (viii) Ensuring that performance of the Board members is regularly evaluated upon the recommendation of the Corporate Governance Committee; and
- (ix) Overseeing a formal succession plan for the Board, the CEO and senior executives and other critical management positions, in close collaboration with the Corporate Governance Committee.

#### IV. Company Secretary

- (a) **Company Secretary.** The Company secretary, through its representative(s) if it is a corporation, assists the Board.
- (b) **General Access.** All Board members may go to the Company Secretary for advice or to use the latter's services.
- (c) **Responsibilities.** The Company secretary sees to it that the Board follows correct procedures and that the Board complies with its obligations under law and the Company's constitution, all relevant statutory and regulatory requirements, code of Ethics and procedures established by the Board. The Company secretary shall assist the chairperson of the Board in organizing the Board's activities (including preparing an agenda, reporting of meetings, evaluations and training programs). The Company Secretary is the Secretary of the Board.

The Company secretary shall also:

- (i) Inform the Board of all legislations relevant to or affecting meetings of shareholders and directors;
- (ii) Continually review developments in the field of corporate governance;
- (iii) Act as a channel of information and communication for non-executive directors;
- (iv) Assist the chairperson in governance processes relating to Board and Committee evaluation;
- (v) Provide the Board as a whole, and Board members individually, with guidance as to their roles and responsibilities, advising and assisting the Board members with respect to their duties

- and responsibilities, in particular compliance with prevailing regulations;
- (vi) Ensure that the shareholders' interests are taken care of and act as the main point of contact for all shareholders;
  - (vii) Issue documentation in connection with corporate events being undertaken by the Company such as rights or bonus issues; and
  - (viii) Maintain a good relationship with shareholders.

## V. Executive, Non-executive and Independent Directors

- (a) Executive directors shall always manage the potential conflict of interest between their management responsibilities and their fiduciary duties as a director acting in the best interest of the Company. Furthermore, executive directors have the responsibility to ensure that the information presented to the Board is an accurate representation of their understanding of the Company's affairs and must develop and execute the plans and strategy of the business, in line with policies set by the Board and manage day-to-day operations.
- (b) Non-executive and independent directors shall collectively contribute to the elaboration of the Company's strategy and assess and monitor the performance of management against set objectives. As and when necessary, they shall constructively challenge proposals presented by management and request complementary information, should they consider that such information is required in the decision-making process.
- (c) Non-executive and independent directors shall exercise independent judgement in all circumstances.
- (d) Non-executive and independent directors should seek information, to the extent they deem necessary, regarding the facts pertaining to decisions they are called upon to make as directors of the Company.
- (e) Non-executive and independent directors are expected to maintain the level of skills required to discharge their obligations to the Company and, if necessary, recently appointed directors may request additional induction sessions, which should be made available to them.
- (f) All directors shall take reasonable steps to satisfy themselves that financial information released to the market and to shareholders is true and accurate and that the Company has sound financial controls, as well as a robust risk management framework.
- (g) All directors are bound by fiduciary duties as well as duties of care and skills.

## VI. Board Committees

- (a) **Establishment of 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 at least an Audit and Risk Committee and a Corporate Governance Committee.
- (b) **Board Responsibility for Committee Action.** The Board remains collectively responsible for the decisions and actions taken by any committee. A committee 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. Decisions that, by law, must be taken by the Board may not be delegated to a committee.
- (c) **Committee Reporting.** Proceedings of committees shall be reported to the Board to allow other Board members to be informed and seek clarifications from the committee chairperson, if so desired. Each committee must promptly inform the Board of the actions it has taken and major developments of which it becomes aware. Each Board member has access to all committee meetings and records, as provided in the terms of reference of each committee. The Board shall, as set forth in the terms of reference of the committee concerned, receive a report from the committee describing the committee's actions and findings.
- (d) **Committee Terms of Reference (TOR).** The Board shall establish (and may amend) TORs for each committee. The TORs shall indicate the role and responsibilities of the committee, its composition

and how it should perform its duties. The TOR of a committee shall require that the committee has no less than two members (or, for the Strategy and Investment Committee or if the committee is composed of three or fewer members, one member) who are independent, as defined in Section B.I.e. of this charter.

- (e) **Website Disclosure.** The TORs and the composition of the committees shall be posted on the Company's website.
- (f) **Resources and Information.** All committees shall have full access to the resources and information necessary to fulfil their duties. This will include administrative and secretarial support, as well as legal advice and access to other external experts, as and when necessary.
- (g) **Financing.** The Board shall make available to the committees adequate financing to enable them seek independent legal, financial and other advice, as may be required.

## C. Chapter II: Duties and Powers

### I. General Duties and Powers

- (a) **General Responsibilities.** The Board oversees the general business of the Company. The entire Board is responsible for such supervision and oversight.
- (b) **Powers of Directors.** The directors shall have the powers conferred upon them by the Companies Act 2001 and Clause 21.1 of the Company's constitution. The directors shall exercise their powers in accordance with the Companies Act 2001 and Clause 21.3 of the Company's constitution.
- (c) **The Board Acts in the Interest of the Company.** The Board shall act in the best interests of the Company and its business, taking into consideration the interests of the Company's shareholders and other stakeholders. Board members shall perform their duties independent of any particular interest in the Company. Members should not support one interest without regard to the other interests involved.
- (d) **Quality of Performance.** The Board is responsible for the quality of its own performance.
- (e) **Action in Concert.** As much as they can, within their individual responsibilities as members of the Board, members shall act and speak in concert with respect to important affairs and matters of principle.
- (f) **Provision on Information.** The chairperson and the CEO shall see to it that the management, in a timely manner, provides the Board and its committees with the information they need to properly function.
- (g) **Responsibility for Securing Information.** The Board and its individual members each have responsibility for obtaining all information from the management and the internal and external auditors needed to carry out their duties. If the Board thinks it is necessary, it may obtain information from officers and external advisers of the Company. The Company shall aid the Board in obtaining such information. The Board may require certain officers and external advisers to attend, but never to vote at its meetings.
- (h) **Access to Records.** Each member of the Board has access to the books and records of the Company, if useful to perform his or her duties. Unless the TOR of a committee states otherwise, Board members shall consult with the chairperson of the Board and the Company secretary before exercising their rights under this provision.
  - (i) **Use of Experts.** The Board may collectively hire experts to assist or advise them. The cost of such experts shall be agreed to by the Board and shall be 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. The directors individually shall also have the possibility to obtain, if necessary, independent professional advice at the Company's expense. In order to obtain such advice

- i. the director shall inform in writing the Corporate Governance Committee of his intention, specifying the name of the proposed adviser and giving an estimate of the costs to be incurred.
- ii. the Corporate Governance Committee shall, within 15 days of the receipt of such notification, reply to the director informing him whether he may proceed or not, and give the reasons of such refusal.
- iii. the director may, in case of refusal from the Corporate Governance Committee, refer the matter to the Board for a final decision.

## II. Duties Regarding the Supervision of Management

- (a) **Nature of Supervision.** In supervising the management, the Board shall consider:
  - (i) the achievement of the Company's objectives;
  - (ii) the implementation of the Company's strategy as well as the risks in the Company's activities;
  - (iii) the structure and continuous updating of the Group's risk management framework and of the internal risk management processes, the internal control systems and conduct of business for the Company;
  - (iv) the existence of clear line of responsibility and accountability are enforced throughout the organisation;
  - (v) the existence of adequate related procedures and processes that protect the Company's assets and reputation;
  - (vi) the financial reporting process;
  - (vii) compliance with law and regulations;
  - (viii) the identification of sustainability-related risks in the short, medium and long term; and
  - (ix) any other matters the law requires the Board to consider.
- (b) **Financial Reporting.** The Board supervises the Company's financial reporting in accordance with Section V. below.
- (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.

## III. Duties Regarding the Members and the Performance of the Board

- (a) **Duties Regarding Board.** The duties of the Board (in consultation with the appropriate Board committees) in relation to the members of the Board include:
  - (i) The nomination of members of the Board (the appointment is made by the shareholders in General Meeting) and proposals to the shareholders in General Meeting for the compensation of members of the Board;
  - (ii) The determination of the number of Board members, the appointment of a chairperson of the Board, 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); and
  - (iii) Addressing any conflicts of interest issues between the Company and members of the Board.
- (b) **Board Self-Assessment.** At least once every two years, the Board shall discuss 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.



#### IV. Certain Other Duties of the Board

- (a) **Duties Generally.** The other duties of the Board include:
- (i) Duties regarding the external auditor as described in Section C.VI. of this Board charter and the TOR of the Audit and Risk Committee;
  - (ii) Other duties imposed by law, the Company's constitution, this charter and the TOR of a committee.
- (b) **Annual Report and Accounts.** The Board shall draw up a report describing its activities in the financial year, and containing the statements and information required by law and the Company's constitution.
- (c) **Budgets, Strategic Plans and Major Investment Projects.** The Board shall approve the annual Company's budget, any strategic plan, major investment projects as well as major contracts, acquisitions and divestments, upon recommendations made by the Strategy and Investment Committee.
- (d) **Sustainability Governance.** The Board shall ensure the Company's long-term resilience to sustainability-related risks. It should be properly informed about sustainability-related risks and opportunities and ensure that management factors same in the Company's strategy, risk management processes and investment decisions. The Board shall implement the right structures to ensure that such risks and opportunities are understood, managed, reported and properly disclosed.

#### V. Supervision of Financial Reporting

- (a) **General Supervision Responsibilities.** The Board, in consultation with the Audit and Risk Committee, supervises compliance with written procedures for the preparation and publication of the annual report and accounts, the quarterly financial reports and any other financial information. The Board, through the Audit and Risk Committee, also supervises the internal control and internal audit mechanisms. The Board shall also approve major capital expenditures, contracts, acquisitions and divestments, as well as the Group budget annually.
- (b) **Discussion of Financial Reports.** The Audit and Risk Committee shall regularly, and in any event as soon as possible, provide the Board with reports on the annual report and accounts, and the quarterly financial reports, which will then be discussed with the Board. The annual report and accounts for the year just ended shall be discussed with the Board within three months of the year end. The quarterly financial reports of the Company for the respective period just ended shall be discussed with the Board within forty-five days of the end of the period.
- (c) **External Auditor.** The Board may request 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 at which the Board decides whether or not to approve the annual accounts. The external auditor shall receive any financial information underlying the quarterly financial reports, and other interim financial reports, and shall be given the opportunity to respond to all information.
- (d) **The Audit and Risk Committee is the Principal Contact with External Auditor.** The Board's principal contact with the external auditor is through the chairperson of the Audit and Risk Committee. If any irregularities in the financial reports are discovered, the first discussion regarding such irregularities should be between the Audit and Risk Committee and the external auditor.
- (e) **Recommendations by External Auditor.** The Board shall carefully consider and, if accepted, ensure that any recommendation made by the external auditor is put into effect. This will include recommendations by the external auditor on the Company's internal controls, as expressed in the 'management letter'.

## VI. Duties Regarding Nomination and Assessment of External Auditor

- (a) **Appointment of External Auditor.** The external auditor shall be appointed by the shareholders in General Meeting. The Board nominates a candidate for this appointment to the shareholders in General Meeting based on an open, transparent and competitive selection process, and may recommend replacement of the external auditor. The Audit and Risk Committee shall advise the Board on such matters. The external auditor shall rotate according to the provisions of law.
- (b) **Compensation of External Auditor.** The compensation of the external auditor, and instructions to the external auditor to provide non-audit services, shall be closely reviewed and approved by the Board on the recommendation of the Audit and Risk Committee, thus ensuring for the auditor's independence.
- (c) **Reports to the Board.** The Audit and Risk Committee shall report its dealings with the external auditor to the Board on an annual basis, including its assessment of the external auditor's independence (for example, the desirability of rotating the responsible partners of the external auditor and the desirability of the external auditor providing both auditing and non-audit services to the Company). The Board shall take this into account when proposing the nomination of the external auditor for approval by the shareholders in General Meeting.
- (d) **Assessment.** At least once every three years, the Audit and Risk 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 main conclusions of this assessment will be communicated to the shareholders in General Meeting so that they may assess the nomination for the appointment of the external auditor.
- (e) **Conflicts of Interest.** Conflicts of interest and potential conflicts of interest between the external auditor and the Company shall be resolved in accordance with the policy laid down in Annex 1 or, to the extent not dealt with in this Annex, as determined by the Board on the recommendation of the Audit and Risk Committee. Board members must inform the chairperson of the Audit and Risk Committee of any matters they know of that may compromise the independence of the external auditor or that may result in a conflict of interest between the external auditor and the Company.
- (f) **Representation by External Auditor.** When appointed, the external auditor shall state it is aware of
  - (i) the Company's audit policy set out in this Section VI. and Annex 1; and
  - (ii) other matters provided for in this charter and the TOR of the Audit and Risk Committee and that s/he agrees to abide by and promote such policies.

## VII. Compensation of Board Members

- (a) **Remuneration, Indemnity and Insurance.** The remuneration, indemnity and insurance of the Board are made in accordance with Section 161 of the Companies Act 2001 and Clauses 23.1, 23.2 and 25 of the Company's constitution.
- (b) **Disclosure.** The remuneration policy of directors is disclosed in the Company's Annual Report.
- (c) **Approval by Shareholders.** The compensation of the Board members is approved by shareholders in General Meeting. The Board shall submit proposals on its compensation to the shareholders in General Meeting. Every change to the compensation policy shall be submitted to the shareholders in General Meeting for its approval. Schemes whereby executive governing Board members and other senior managers are remunerated in the form of shares or rights to subscribe for shares, and major changes to such schemes, shall also be submitted to the shareholders in General Meeting for approval.
- (d) **Reimbursement of Costs.** Apart from their compensation, Board members shall be reimbursed for all reasonable costs incurred in connection with their attendance of meetings. The reasonableness of such costs shall be approved by the Corporate Governance Committee. Any other expenses shall be reimbursed only if incurred with the prior consent of the Corporate Governance Committee.

- (e) **Loans and Guarantees.** The Company and its subsidiaries do not grant personal loans, guarantees or the like to Board members, save as part of their usual business operations. Such loans are not remitted.

### VIII. Relations with Shareholders

- (a) **Equal and Simultaneous Information.** Where appropriate, the Board shall provide all shareholders and other parties in the financial markets with equal and simultaneous information about matters that may influence the share price.
- (b) **General Meeting; Record Date; Venue.** The Board shall determine the date and place of any General Meeting and a record date for the exercise of the voting and any other rights attached to the Company's securities at such meeting. Unless there is an overriding Company interest to act otherwise, the Board shall use its best efforts to provide shareholders with all information necessary or requested for the shareholders to properly act at the General Meeting. If the Board believes the Company does have an overriding interest, it must state why it so believes.
- (c) **Compliance with Law.** The Board shall ensure all laws are complied with, regarding the rights of the General Meeting and of individual shareholders.
- (d) **Attendance by Board members.** The chairperson shall ensure that (unless there are important reasons) all the members of the Board attend the General Meetings.
- (e) **Chairperson of General Meetings.** The General Meetings are presided over by the chairperson of the Board or, in his or her absence, as provided by Clause 19.3 of the Company's constitution.
- (f) **Disclosure of Resolutions.** A resolution of the General Meeting may be publicly disclosed only through a statement from the chairperson of the Board or the Company secretary. A summary of resolutions passed at the meeting shall be posted on the website.
- (g) **Attendance by external auditor.** The Board shall ensure that the responsible partner (or certifying auditor) of the external auditor attends the Annual Meeting and is available to address the meeting. The external auditor may thus be in a position to answer any question by the General Meeting in relation with the audit of the Company's financial statements.

## D. Chapter III: Board Meetings; Decision-Making

### I. Frequency, Notice, Agenda and Venue of Meetings

- (a) **Frequency.** The Board shall meet as often as necessary, generally six times a year and not less than four times a year. If possible, 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 any other member of the Board in accordance to Clause 22.2 (a) of the Company's constitution.
- (b) **Notice and Agenda.**
- (i) Meetings of the Board are 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 clear calendar days before the meeting, i.e. seven days. For each item on the agenda, an explanation shall be provided or related documentation will be attached. The chairperson shall consult with the CEO prior to convening the meeting on the content of the agenda. Each Board member and the CEO has the right to request that an item be placed on the agenda for a Board meeting, provided that the item is notified to the chairperson at least ten days prior to the meeting.
  - (ii) Board members who have taken part in a meeting may not object to resolutions being adopted at the meeting on grounds of an invalid notice.

- (c) **Venue.** Board meetings are generally held at the offices of the Company but may also take place elsewhere. In addition, meetings of the Board may be held by conference call, video conference or by any other means of communication, provided all participants can communicate with each other simultaneously, as provided by Clause 22.3 of the Company's constitution.

## II. Attendance of and Admittance to Meetings

- (a) **Attendance by CEO.** The CEO, even where s/he is not a member of the Board, shall attend Board meetings unless the Board instructs her/him not to attend. If requested by the Board, other executives shall also attend meetings of the Board in whole or in part.
- (b) **Undue Absence.** If a Board member is frequently absent from Board meetings, s/he shall be required to explain such absences to the chairperson.
- (d) **Attendance by Non-Members.** The admission to a meeting of persons other than Board members, the CEO, the Company secretary and (if invited) other executives shall be decided by majority vote of the Board members present at the meeting.

## III. Chairperson of the Meeting; Minutes, Proceedings

- (a) **Chairperson.** Board meetings are presided over by the chairperson of the Board or, in his or her absence, by another member in accordance with Clause 22.1 (b) of the Company's constitution.
- (b) **Minutes.** Minutes must be drawn up for every Board meeting and for every resolution adopted outside a meeting. The minutes of a meeting are to be signed by the chairperson of the said meeting, or the chairperson of the meeting where they are approved and by the Company secretary and then added to the Company's records. Each member of the Board shall receive a copy of the minutes. Each member of the Board may demand a note explaining how s/he voted or that a formal declaration by her/him be included in the minutes. Urgent resolutions may be drawn up and adopted immediately in the relevant meeting.
- (c) **Proceedings.** Generally, the proceedings of the Board shall follow Clause 22 of the Company's constitution as well as the Eighth Schedule to the Companies Act 2001.

## IV. Decision-Making within the Board

- (a) **Preference for Unanimity.** The Board members shall try to unanimously adopt resolutions. However, Board members are encouraged to voice dissenting opinions and record these 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.** Where unanimity cannot be reached and the law, the Company's constitution or this charter do not prescribe a larger majority, all resolutions of the Board are adopted by a majority of the votes cast. In the event of a tie, the chairperson of the Board has the deciding vote in accordance with Clause 22.5 (b) of the Company's constitution. At a meeting, the Board may only pass resolutions if the majority of the Board members are present or represented.
- (d) **Adoption at Meeting.** Resolutions of the Board are generally adopted at a Board meeting.
- (e) **Written Consent.** 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 s/he does not object to this form of adoption.
- (f) **Emergency Procedures.** The Board may deviate from the provisions of Sections D.IV.c. (last sentence), D.IV.d. and D.IV.e. if this is deemed necessary by the chairperson of the Board, considering the urgent nature and other circumstances of the case, provided that all Board members are allowed the opportunity to participate in the decision-making process. The chairperson of the Board and the

Company secretary shall then prepare a report on a resolution so adopted, which shall be added to the documents for and ratified at the next meeting of the Board.

- (g) **Disclosure of Resolutions.** A resolution adopted by the Board may be publicly disclosed only through a statement from the chairperson of the Board and/or the Company secretary and/or the CEO and/or through an official communiqué from the Board.

## E. Chapter IV: Other Provisions

### I. Conflicts of Interest of Board Members

- (a) **Register of Declaration of Interests.** A Register of Declaration of Interests shall be maintained as per Section 190 (2) (c) of the Companies Act 2001, as well as a Register of insiders as per Rule 13 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, if applicable.
- (b) **Submission of Declaration.** As soon as elected to the Board, the directors shall provide to the Company a complete list of their directorships, of any interest they have, directly or indirectly, in the shares of the Company and of any interest as defined in Section 147 of the Companies Act 2001. Any change in the directors' Declaration of Interests shall be communicated promptly to the Company.
- (c) **Compliance.** The directors must act in compliance with Section 148 of the Companies Act 2001 and the Company's constitution, particularly its Clauses 23.3, 23.4 and 23.5. As spelt out in these Clauses, except for specific circumstances as described therein, the interested directors may generally neither vote nor be counted in the quorum present at a Board meeting where matters are discussed where they are interested. The Board may ask the interested director to withdraw from the meeting when the matter subject to a conflict of interest is discussed.
- (d) **Management of Conflicts.** In the management of their potential conflicts of interests, the directors shall refer to the Code of Ethics of the company as well as to the Conflict of Interest Policy and the Code of Conduct for Directors, laid down in Annex 2, adopted by the Board. 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 Company's business. Decisions to enter into transactions in which there are conflicts of interest with Board members require the approval of the Board.

### II. Dealings in Shares of the Company

- (a) **Model Code of the Listing Rules.** The directors shall abide to the Model Code for Securities Transactions by Directors of Listed Companies in Appendix 6 of the Listing Rules of the Stock Exchange of Mauritius Ltd.
- (b) **Compliance.** The directors shall also act in conformity with Sections 156 of the Companies Act 2001, Sections 90, 91 and 111 of the Securities Act 2005 (if applicable), Clause 23.6 of the Company's constitution and any relevant piece of legislation.
- (c) **Procedures.** From a practical point of view, directors wishing to trade directly or through their associates on the shares of the companies shall:
- (i) Inform in writing the chairperson or in his absence or in the case of the chairperson her/himself, one of the directors designated by the Board for that purpose, and receive a written acknowledgement of same.
  - (ii) Once they have traded, inform the Board in writing of the details of the transaction and amend their Declaration of Interests accordingly.
  - (iii) Abstain from trading directly or through their associates on the shares of the company in the case of Absolute Prohibitions as defined in Rule A of the Model Code for Securities Transactions by Directors of Listed Companies in Appendix 6 of the Listing Rules of the Stock Exchange of Mauritius Ltd, i.e. when the directors are in possession of unpublished sensitive information

and one month before the publication of results or the declaration of dividends. In the case of the Company these periods are mainly the months of March, May, August and November of each year.

### III. Induction Program, Ongoing Training and Education

- (a) **Induction Program.** Upon his or her election, each Board member shall participate in an induction program that covers the Company's strategy, general financial and legal affairs, financial reporting by the Company, any specific aspects unique to the Company and its business activities, and the responsibilities of a Board member.
- (b) **Regular Review of Training.** The Board shall conduct a regular review to identify areas where the Board members require further training or education.
- (c) **Costs.** The costs of the induction course and any training or education shall be paid for by the Company.

### IV. Other Positions

- (a) **No Excess Memberships.** Members of the Board shall limit their other positions so as to ensure they can perform their duties as members of the Board. Outside governing board memberships (excluding the Group and its associated companies) are capped at 10 Board seats. However, the Board may, at its sole discretion, authorise a greater number on a case-by-case basis. The letter of appointment to non-executive directors shall clearly state the number of days of work expected per year.
- (b) **Notice of Outside Positions.** Board members must inform the chairperson of the Board and the Company secretary of their other positions which may be of importance to the Company 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 Section E.I. of this Charter. The Company secretary shall keep a list of the outside positions held by each Board member.

### V. Confidentiality

- (a) **Duty to Keep Information Confidential.** Unless required to do so by law, no Board member shall, during his or her membership on 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 Company and which s/he 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) **Return of Confidential Information.** At the end of each Board member's term of office, s/he shall return all confidential documents in his or her possession to the Company or guarantee their disposal in a manner that ensures confidentiality is preserved.
- (c) **Notice of Disclosure.** If a Board member intends to disclose to third parties information which s/he has become aware of in his or her duties and which may be confidential, s/he 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. This section applies to both official and personal statements and to any person attending Board meetings and to information which in terms of their content and form are clearly only intended for the Board.

**VI. Miscellaneous**

- (a) **Acceptance by Board Members.** Anyone who is appointed as a Board member must, upon assuming office, declare in writing to the Company that s/he accepts and agrees to comply with the provisions of this Charter. A corresponding reference to this extent is included in a Board member's appointment letter. The directors shall also formally adhere to the Code of Ethics and policies designed and promulgated by the Company.
- (b) **Occasional Non-Compliance.** If permitted by law, the Board may occasionally decide at its sole discretion not to comply with the provisions of this Charter. Any decision regarding non-compliance should be duly minuted.
- (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 on how a 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.

## Annex 1: Policy Regarding Independent External Auditor

The policy set out below was adopted by the Board on 22 November 2017, on a proposal of the Audit and Risk Committee. It has been last updated in 2024.

### I. Policy

The Company and its subsidiaries shall use the services of the external auditor only to the extent this does not prejudice the independence of the external auditor.

### II. Terms of Reference

The external auditor must be independent. These regulations are based on the principles that:

- (i) the external auditor must be independent from the client audited, both in mind as in appearance; and
- (ii) an external auditor is someone who is able, in the light of all relevant facts and circumstances, to form an objective and impartial opinion on all matters that fall within the scope of his or her assignment.

Under the Companies Act 2001, an external auditor is not allowed to perform a statutory audit if s/he has financial, commercial, employment or other ties with the client that in the opinion of a reasonable and properly informed third party expert compromise the auditor's independence.

The Company may require from the external auditor that s/he maintains the right balance between effectiveness and efficiency, e.g. audit costs, risk management, independence and reliability. The Audit and Risk Committee sees to it that the external auditor complies with the relevant provisions of the Companies Act 2001 and its terms of reference, and may request more detailed explanations and written confirmations from the external auditor that these provisions are followed.

In addition to the audit work, the external auditor of the Company may also carry out non-audit work, to the extent allowed under applicable legislation and regulations and the internal procedures of the Company. The non-audit work shall not jeopardize the independence of the external auditor. In no event shall the individuals performing the audit work engage in any non-audit work.

All audit and non-audit work (including fees and conditions) carried out by the external auditor for the Company must be approved in advance by the Board on a proposal of the Audit and Risk Committee. The Board may, within the framework set by the Board, delegate this duty to the Audit and Risk Committee that in turn, in exceptional circumstances only, may delegate this power to its chairperson, on the understanding that a decision by the chairperson of the Audit and Risk Committee to give his or her approval will be presented to the full Audit and Risk Committee at its next meeting.

### III. Work

#### (a) Audit Work

Audit work is the audit of the annual financial reports of the Company, the assessment of interim financial reports that are disclosed, services that are traditionally provided by the external auditor and that are related to filings and obligations under legislation or regulations, and services that only the external auditor can reasonably provide. The external auditor does not need to go through a tender process for each individual engagement.



**(b) Non-Audit Work**

For non-audit work of the external auditor other than

- (i) services that can only be provided by the external auditor,
- (ii) services that are an extension of the work performed as part of the audit of the Company or rely on work performed as a part of the audit such that the quality and timeliness of the services can most effectively be provided by the external auditor, or
- (iii) services that enhance the effectiveness of the external auditor's examination of the Company's financial statements,

the Board shall, on the proposal of the Audit and Risk Committee, set one or more financial thresholds.

For non-audit work by the external auditor that is expected to exceed these thresholds, a very strong rationale must be presented to support the selection of the external auditor and alternative service providers should be considered.

For further explanation whether certain activities should be considered audit work or non-audit work and whether certain non-audit activities fall under any of the categories listed above, the head of the internal audit department should be contacted who, when in doubt, will consult the chairperson of the Audit and Risk Committee.

**IV. Rotation of Partners Responsible for Audit Work**

In order to prevent the external auditor and the Company becoming too close, the number of years a person may be part of the audit team of the external auditor, is capped.

Partners of the audit team of the organisation who are charged with essential audit tasks must be replaced at most every five years after the start of their involvement.

**V. Appointment of the External Auditor**

The external auditor shall be appointed in accordance with Section C.VI. of the Board Charter. If the decision is taken to call in the services of another external auditor, the tender process approved by the Audit and Risk Committee shall be followed.

**VI. Staff Transfer Restrictions**

The Company and the external auditor shall agree on a policy regarding the restriction of staff transfers from the Company and its group to the organisation of the external auditor and vice versa, taking into account all relevant legislation and regulations. This policy is subject to the approval of the Board. In no event, however, shall the Company hire an audit partner or other senior member of the audit staff of the external auditor if such person audited, conducted a review of or prepared the Company's financial statements during the previous one year, in particular as the Company's CFO.

## Annex 2: Code of Conduct for Directors

The Board of Directors (the Board) of Terra Mauricia Ltd (the Company) has adopted the following Code of Conduct for Directors of the Company on 22 November 2017. It has been last updated in 2024.

### Purpose

The purpose of the Code is to provide:

- Guidance to Directors and help them recognise and deal with ethical issues;
- Help foster a culture of honesty and accountability, as well as mechanisms to report unethical conduct.

The Code should not be considered as an exhaustive document and should be complemented by applicable laws (i.e. for example the Companies Act 2001) as well as the relevant codes (i.e. the Code for Corporate Governance for Mauritius 2016 or the Company's Code of Ethics).

### A. Duties of Directors

Directors should act in good faith and make and enact informed decisions and policies in the best interest of the Company. They 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.

### B. Conflict of Interest

Directors must, as far as possible, avoid conflicts and where a conflict or potential conflict arises, the same must be disclosed and all procedures for dealing with such cases must be strictly adhered to.

Directors who are conflicted regarding a particular issue should not participate in the related discussions and decision-making. The Board may ask the interested director to withdraw from the meeting when the matter subject to a conflict of interest is discussed. A conflict of interest may occur when:

- i. A Director's personal interest is adverse to or may seem to be adverse to the interests of the Company.
- ii. A Director, or a member of his/her immediate family or associate (as defined in the Listing Rules of the Stock Exchange of Mauritius), receives improper benefits as a result of his/her position in the Company.

Some of the common conflicts Directors should avoid are listed below:

- i. Personal benefits received from a person / company seeking to do business or to retain the services of the Company.
- ii. Gifts which are not customary in normal business relationships given to or received from any person / company seeking to do business or to retain the services of the Company.
- iii. Engaging in any outside business, professional or other activities that would directly or indirectly adversely affect the Company.

### C. Corporate Opportunities

Directors must not take improper advantage of their position or use the Company's property for personal gain. Directors must not use any information or opportunity received by them in their capacity as Directors in a manner that would be detrimental to the Company's interests.

**D. Compliance with Laws, Rules and Regulations: Fair Dealings**

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 ethics and compliance in the Company. Any breach of the Code will be investigated and appropriate actions taken as necessary.

**E. Waiver of the Code of Conduct**

Any waiver of this Code may be made only by the Board of Directors or a committee of the Board with the relevant delegation and must be disclosed to the Company's shareholders through the Annual Report.

**Commitment**

I, ....., the undersigned, hereby confirm that I have read the **Code of Conduct for Directors of Terra Mauricia Ltd** and I accept to abide by its content.

Date:

Name:

Signature

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## REFERENCES

- a. Relevant parts or, in some cases, the whole text of the documents referred to in the present Charter are listed below.
- b. The said texts are the following ones:
  - (i) Companies Act 2001
  - (ii) Constitution of the company
  - (iii) The National Code of Corporate Governance for Mauritius (2016)
  - (iv) Code of Ethics of Terra
  - (v) Conflict of Interest Policy
  - (vi) Gift Policy
  - (vii) Model Code for Securities Transactions by Directors of Listed Companies
  - (viii) Securities (Disclosure Obligations of Reporting Issuers) Rules 2007
  - (ix) Circular Letter (CL260608) of the Financial Services Commission
  - (x) Terms of reference of the Audit and Risk Committee
  - (xi) Terms of reference of the Corporate Governance Committee
  - (xii) Terms of reference of the Strategy and Investment Committee
  - (xiii) Terms of reference of the Ethics Committee.

2024