



Terms of Reference of the Corporate Governance, Nomination & Remuneration Committee

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Table of Contents

	Page Number
1. Membership	3
2. Secretary	3
3. Quorum	3
4. Meetings	3
5. Duties	4
5.1 Governance	
5.2 Ethics	
5.3 Conflicts of Interest & Related Party Transactions	
5.4 Nomination	
5.5 Remuneration	
6. Reporting Responsibilities	7
7. Remuneration of the Members	7
8. Other Matters	7
9. Authority	7
Appendix A: Composition of the Committee	9
Appendix B: Position Statement of the Chairperson of the Committee	10
Appendix C: Statement of Remuneration Policy	11

Glossary

CGNRC or Committee	Corporate Governance, Nomination and Remuneration Committee
Board	Board of Directors of Investment Professionals Ltd
CIEL	CIEL Limited/CIEL Group
Code	The National Code on Corporate Governance for Mauritius (2016)
IPRO/The Company	Investment Professionals Ltd
IPRO Group /the Group	Investment Professionals Ltd and its investee companies
Company Secretary or Secretary	As defined in clause 2

1. Membership

- 1.1 The Committee shall comprise of at least 2 directors.
- 1.2 The Board shall appoint the Committee chair and members.
- 1.3 The Committee shall be composed of a majority of non-executive directors, and where possible, independent.
- 1.4 The chairperson of the Committee shall be a non-executive director.
- 1.5 The chairperson of the Board shall not be the chairperson of the Committee.

The actual composition of the Committee and the position statement of the Chairperson of the Committee are annexed to the present terms of reference.

2. Secretary

CIEL Corporate Services Ltd shall act as the company secretary of the Committee and will ensure that the members receive information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Quorum

The quorum for decisions of the Committee shall be fixed by the Committee and if not so fixed, shall be any two members present throughout the meeting who shall vote on the matter for decision or recommendation to the Board. No business shall be transacted at a meeting of the Committee if a quorum is not present.

4. Meetings

- 4.1 Meetings of the Committee will be held as the Committee deems appropriate, with at least one prior to the end of the financial year in order to assess the Management's performance and to approve the performance bonus accordingly, as well as to analyse the remuneration policy to be applied for the whole staff during the next financial year. Meetings should be organised so that attendance is maximised.
- 4.2 Meetings shall be called by the company secretary at the request of the Chairperson of the Committee or any of its members.
- 4.3 The notice of each meeting, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Committee not less than four working days prior to the date of the meeting.
- 4.4 The Company Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 4.5 Minutes of meetings shall be circulated promptly to all the members of the Committee once validated by the Chairperson and shall then be circulated to other members of the Board unless not deemed appropriate by the Committee Chairperson.

5. Duties

5.1 Corporate Governance

The Committee shall:

- 5.1.1 Determine, agree and develop the Company's general policies and strategies on corporate governance in line with recommendations of the Code;
- 5.1.2 Ensure that disclosures on corporate governance, whether in the financial statements or on an ongoing basis, are made in accordance with the principles of the Code;
- 5.1.3 Review the corporate governance report to be published together with the financial statements.

5.2 Ethics & Business Conduct

The Committee shall:

- 5.2.1 Monitor the implementation of IPRO Group's Code of Ethics and ensure compliance with its provisions;
- 5.2.2 Review any statements on business conduct and ethical standards or requirements for the Company and assisting in the development of such standards and requirements.

5.3 Conflicts of Interest & Related Party Transactions

The Committee shall:

- 5.3.1 Review and approve, where appropriate, conflicts of interest and related party transactions of a material nature in line with the applicable policy; and
- 5.3.2 Ensure that the Company has adequate policies and procedures to detect and report any potential conflict of interests and related party transaction before they arise.

5.4 Nomination

The Committee shall:

At Board level

- 5.4.1 Regularly review the structure, size and composition of the Board and its committees (including skills, knowledge, experience and diversity) and make recommendations to the Board with regard to any changes;
- 5.4.2 Ensure that the right balance of skills, expertise and independence is maintained on the Board;
- 5.4.3 Identify and nominate candidates for recommendation to the Board and the approval of the shareholders, to fill Board vacancies as and when they arise;

- 5.4.4 Ascertain that potential new directors are fit and proper and are not disqualified from being directors prior to recommending their nomination to the Board and the shareholders. In this respect, the Committee will at a minimum be looking at the following, over and above the required skills, knowledge and experience:
- a. whether the candidate is free from material conflicts of interest, for instance through positions which he holds or has held in the past three years (including memberships on any Board or management governing bodies / executive committees);
 - b. whether the candidate has been convicted of any crimes involving dishonesty, fraud or breach of trust;
 - c. whether the candidate is, in accordance with the law, disqualified from being appointed as a Director;
 - d. whether the candidate would have sufficient time to devote to the proposed directorship, given the latter's current positions (including memberships on any Board or management governing bodies / executive committees); and
 - e. Any other information relevant to assess the candidate's suitability as a member of the Board;
- 5.4.5 Make recommendations to the Board and the shareholders on the proposed re-election of directors, taking into account their past performance on the Board;
- 5.4.6 Make recommendations to the Board for the continuation (or not) in services of any Director who has reached the age of 70;
- 5.4.7 Identify and recommend the nomination of the Company's representatives on the Boards of investee companies;
- 5.4.8 Review the results of the Board performance evaluation process (when applicable), and devise and monitor an action plan to address any shortcomings identified;
- 5.4.9 Devise, for recommendation to the Board, a succession plan for directors (where applicable) taking into account the challenges and opportunities facing the Company, and the skills and expertise needed;

At Senior Management Level

- 5.4.10 Determine, agree and develop a general policy on executive and senior management appointment at IPRO Group's level;
- 5.4.11 Devise, for recommendation to the Board, a succession plan for the Chief Executive Officer as and when applicable, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed;

5.5 Remuneration

The Committee shall:

At Board Level

5.5.1 Have the responsibility for devising the Company's remuneration policy for recommendation to the Board and the shareholders, and reviewing its on-going appropriateness and relevance.

The Statement of Remuneration for Directors is annexed to the present terms of reference.

5.5.2 Determine the level of remuneration payable to the Directors (as Board member and Board Committee members), in line with the remuneration policy approved by the shareholders;

At Senior Management Level

5.5.3 Determine, agree and develop a general policy on executive and senior management remuneration at IPRO Group's level;

5.5.4 Determine specific remuneration packages for senior executives of the Company upon hiring, including but not limited to basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentives, pensions and other benefits;

5.5.5 Review and set the remuneration for the Chief Executive Officer, including:

- Overall market positioning of the remuneration package;
- Individual fixed pay and increases;
- Annual and long-term incentive arrangements and adjustments;
- Benefit entitlements (including pension arrangements);
- Service contracts;
- Shareholding policies;
- Malus and/or claw back;
- Procedures relating to expenses; and
- Termination arrangements and compensation for loss of office.

5.5.6 Validate the main elements of the global remuneration strategy relating to salary reviews and bonus allocation for the Company's employees;

5.5.7 Determine job objectives of the Chief Executive Officer with clear Key Performance Indicators (both financial and non-financial), at the beginning of the financial year, to measure his performance in discharging his functions and responsibilities;

5.5.8 Conduct a high-level review of the achievement of performance objectives prior to the finalisation of variable pay for the Chief Executive Officer;

General

5.5.9 Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, such that failure is not rewarded and that the duty to mitigate loss is fully recognised.

5.5.10 Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.

6. Reporting Responsibilities

- 6.1 The chairperson of the Committee shall report to the Board, in a prompt manner, on the proceedings the Committee meetings.
- 6.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

7. Remuneration of the Members

- 7.1 Having regard for the functions performed by the members of the Committee in addition to their functions as directors in relation to the activities of the Committee, members may be paid such remuneration as shall be fixed by the Board. Such remuneration, which shall be in addition to their fees payable as directors.
- 7.2 The Chairperson of the Committee may, in addition to his or her remuneration as member, receive a further sum as determined by the Board.

8. Other Matters

The Committee shall:

- 8.1 Have access to outside or other independent professional advice as it considers necessary to carry out its duties;
- 8.2 Have access to sufficient resources to carry out its duties, including access to the Company Secretary for assistance as required;
- 8.3 Be provided with appropriate and timely training, both in form of an induction programme for new members and on an on-going basis for all members;
- 8.4 Have due consideration to laws, regulations and any published guidelines or recommendations that will impact on the activities of the Committee; and
- 8.5 Review its constitution and terms of reference, as and when deemed necessary, to ensure it is operating at maximum effectiveness and recommend any changes it considers appropriate to the Board for approval.

9. Authority

The Committee is authorised to obtain, at the Company's expense, independent legal, or other professional advice on any matter which falls within its terms of reference, if circumstances so warrant.

Approved by the Board on **10 September 2018**

Appendix A: Composition of the CGNRC

Members:

- Khushhal Chand KHUSHIRAM, Chairperson & Independent Non-Executive Director
- Marc Emmanuel VIVES, Non-Executive Director

Appendix B: Position Statement of the Chairperson of the Corporate Governance, Nomination and Remuneration Committee

1. Appointment

- a) The Board of Directors (“Board”) of IPRO (“Company”) has approved the constitution of a Corporate Governance, Nomination & Remuneration Committee (“CGNRC” or “Committee”) with defined terms of reference.
- b) The chairperson of the Committee shall be a non-executive director.
- c) The chairperson of the Committee shall not be the chairperson of the Board.

2. Duties

The duties of the chairperson of the Committee shall include but shall not be restricted to:

2.1 Terms of Reference

To ensure that the Committee operates within its approved terms of reference and that it has discharged its responsibility according to its duties.

2.2 Meetings

- a) To determine the frequency and dates of meetings of the Committee in consultation with the company secretary.
- b) To set the agendas of the Committee with the support of the company secretary.
- c) To chair meetings of the Committee and encourage a free and open discussion at the meetings.

2.3 Management

- a) To effectively manage the affairs of the Committee and ensure that adequate time is allowed for the discussion of issues.
- b) To ensure that matters requiring the Committee’s consideration are discussed and all items requiring its approval are appropriately tabled.
- c) To promote a culture whereby all members’ contributions are encouraged and valued.
- d) To ensure that corporate governance practices are applied throughout the Company.

2.4 Communication and Reporting

- a) To ensure there is proper flow of information to the Committee.
- b) To report to the Board on the matters reviewed by, and on any decisions or recommendations of the Committee at the next meeting of the Board following any meeting of the Committee.
- c) To report to the Board whether the Company has complied fully or partially with the National Code of Corporate Governance for Mauritius (2016).

Appendix C: Statement of Remuneration Policy

- Non-executive directors, who do not represent the controlling shareholder, shall perceive a retainer fee reflecting the workload, size and complexity of IPRO's business as well as the responsibility involved. Should the Chairperson of the Board be one of the non-executive directors who do not represent the controlling shareholder, he/she shall be entitled a higher remuneration. The Committee shall recommend such fees for approval by the Board.
- Terms and conditions relating to the nomination of non-executive directors shall be determined in an appointment letter.
- The objective of remunerating non-executive directors is to ensure that there is an appropriate level of remuneration to attract and retain experienced people of high caliber to oversee the Company's business and development. Their remuneration shall be reviewed annually by the Committee with reference to companies of comparable business or scale, and any changes are subject to Board approval.
- There shall be committee fees for non-executive directors, who do not represent the controlling shareholder, with the fees differing in accordance with the time required for preparation, the frequency and the duration of meetings. Chairmen of committees may be paid a higher remuneration than members. The Committee shall recommend such fees for approval by the Board.
- No share option or bonus shall be granted to non-executive directors.
- Fees allocated to the non-executive directors shall be payable annually within one month after the termination of the financial year.
- Remuneration payable to directors appointed during the financial year shall be pro-rated.
- The remuneration of the Chairperson of the Board, if independent, shall be approved by the Committee.
- No director shall be involved in the decisions as to his/her own remuneration.