**SME MAURITIUS LTD**

**HR AND FINANCE COMMITTEE CHARTER**

## 1. Purpose

1.1 The primary function of the HR and Finance Committee (hereinafter referred to as 'the Committee') is to advise the Board of Directors of SME Mauritius Ltd (hereinafter referred to as the 'Company') on all aspects of HR matters, including recruitment and selection of staff members and on Finance matters.

## 2. Membership

2.1 The Committee shall comprise at least three (3) members and the majority should be non-executive and where possible independent directors.

2.2 Only members of the Committee have the right to attend the Committee meetings. However, the Committee may invite other persons to attend all or part of any meeting, as deemed necessary and appropriate.

2.3 The Board shall appoint the Committee Chairperson. In the absence of the Committee chairperson, the remaining members present shall elect one of them to chair the meeting under the same usual terms of reference.

## 3. Secretary

3.1 The Company Secretary shall act as the secretary of the Committee.

## 4. Quorum

4.1 The quorum necessary for the transaction of business shall be any two (2) members (composed of at least one independent non-executive director).

## 5. Frequency of meetings

5.1 The committee shall meet as often as necessary.

## 6. Notice of meetings

6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Chairperson of the Committee or any member of the Committee.

6.2 Notice of each meeting of the Committee confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers shall, other than under exceptional circumstances, be forwarded to each member of the Committee and any other person required to attend the meeting, prior to the date of the meeting.

## 7. Minutes of meetings

7.1 The secretary shall record the attendance, minute the proceedings and resolutions of all Committee meetings.

7.2 The Committee's minutes shall be circulated to members of the Committee and to the Chairperson of the Board and may also, if the Chairperson of the Committee so decides, be circulated to other members of the Board. Once approved and duly signed, minutes should be circulated to all other members of the Board unless it is deemed inappropriate in the opinion of the Committee Chairperson.

## 8. Written Resolution

8.1 Decisions may also be taken by way of written resolutions signed by all members of the Committee or approved by them through electronic means such as fascimile or electronic mail.

## 9. Terms of Reference

The Committee shall carry out the following duties and responsibilities:-

### 9.1. <u>HR Matters</u>

9.1.1 To determine, agree and develop the company's general policy pertaining to remuneration, recruitment and promotion of employees;

9.1.2 To review the terms and conditions of service of employees;

9.1.3 To give employees any encouragement to enhance the company's performance and to ensure that they are fairly rewarded;

9.1.4 To determine any benefits in kind, annual bonuses, performance-based incentives, pensions and other benefits to be paid to employees;

9.1.5 To ensure transparency when recruiting and promoting or when providing any such benefits to employees;

9.1.6 To ensure that vacancies are filled on basis of merit and performance;

9.1.7 To determine the training and redeployment programme; and

9.1.8 To optimize Human Resource deployment within the Company, including the rotation of staff.

### 9.2. <u>Finance Matters</u>

In the light of Expert/Technical advice:-

9.2.1 Assess and review the annual budget and such extra-budgetary provisions of the Company, as may be applicable and recommend same to the Board for approval;

9.2.2 Assess, review and make recommendations to the Board on significant capital expenditure proposals;

9.2.3 Review the treasury management of the Company; and

9.2.4 Undertake reviews of the Company's financial status on a regular basis, including reviews of quarterly reports, reviews of financial processes and new procedures, and financial implications of new schemes and activities.

### 9.3. Remuneration

9.3.1 Members of the Committee shall be paid such special remuneration in respect of their appointment as shall be recommended by the Board and ratified or approved by Shareholders. Such special remuneration shall be in addition to the monthly remuneration payable to Directors.

9.3.2 The level and structure of remuneration for Directors shall be determined at the Shareholders' Meeting.

## 10. Reporting responsibilities

10.1 The Committee Chairperson shall report to the Board on its proceedings.

10.2 The Committee shall make recommendations to the Board it deems appropriate on any area within its remit where action or improvement is required.

## 11. Other matters

The Committee shall:

11.1 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary and Management for assistance as required.

11.2 Give due consideration to laws and regulations, the principles of the Code of Corporate Governance and any other applicable rules.

11.3 Arrange for periodic reviews of its own performance and as and when required, review its charter to ensure it is operating at optimal effectiveness and recommend any changes it considers necessary to the Board for approval.

## 12. Authority

12.1 The Committee is authorised by the Board to obtain, at the Company`s expense, outside legal or other professional advice on any matters within its terms of reference.

**Last Reviewed : 18 July 2024.**

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**COMPANY SECRETARY**