



TERMS OF REFERENCE
THE CORPORATE GOVERNANCE COMMITTEE

SPICE FINANCE LTD
(the "Company" / "SFL")

I. CONSTITUTION

- 1.1 In line with the requirement of the Bank of Mauritius and The National Code of Corporate Governance for Mauritius (the 'Code'), the Board of Directors (the 'Board') of the SPICE Finance Ltd (the 'Company') is called upon to establish a statutory committee of the Board to be known as the Corporate Governance Committee (the 'Committee').
- 1.2 The Remuneration Committee and Nomination Committee form part of the Corporate Governance Committee.
- 1.3 The Corporate Governance Committee shall make recommendations to the Board on:
- all corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing Code;
 - all the essential components of remuneration after consultation with the Group HR and CEO of the holding company of SPICE Finance Ltd;
 - The remuneration of the independent directors after consultation with the Group HR and CEO of the holding of SPICE Finance Ltd;
 - all new Board and senior executive nominations, the balance and effectiveness of the Board.

2. COMPOSITION

- 2.1 Unless the Board of Directors decides otherwise and justifies the same, a non-independent Chairperson of the Board can only be the Chairperson of the Corporate Governance Committee on condition that the majority of the Committee are independent non-executive Directors. If this is not the case then the non-independent Chairman of the Board can be a member of the Corporate Governance Committee, but not its Chairperson. The Chairperson of the Committee would then have to be an independent non-executive Director.
- 2.2 The Chief Executive Officer may be a member of the Corporate Governance Committee.
- 2.3 The Corporate Governance Committee should have at least one non-executive Director.
- 2.4 The Secretary of the Company shall act as Secretary to the Committee.
- 2.5 The Corporate Governance Committee shall consist of a minimum of three members. The quorum shall be two members throughout the meeting.
- 2.6 The Board will appoint committee members and the committee chair.

3. MEETINGS

- 3.1 Meetings of the Corporate Governance Committee will be held as the Committee deems appropriate. However, the Committee should meet at least once every quarter. Meetings should be organised so that attendance is maximised. The Chairperson of the Committee or any member of the Committee may call a meeting at any other time.
- 3.2 The notice of each meeting of the Committee 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 at his known registered address (postal or email), not less than three working days prior to the date of the meeting.
- 3.3 Minutes of all meetings shall be circulated to all the members of the Committee and may also, if the Chairperson of the Committee so decides, be circulated to other members of the Board.

4. DUTIES

The duties of the Corporate Governance Committee shall be to:

- 4.1 determine, agree and develop the Company's general policy on corporate governance in accordance with the recommendations of the Code of Corporate Governance;
- 4.2 ensure that disclosures on corporate governance, whether in the annual report or on an ongoing basis, are made in accordance with the principles of the Code of Corporate Governance;
- 4.3 prepare the corporate governance report to be published in the annual report;
- 4.4 determine the level of non-executive and independent non-executive Directors fees to be recommended to the Shareholders at the Meeting of Shareholders;
- 4.5 have consultations with the Group HR and CEO of the holding of SPICE Finance Ltd for the package of the senior executives of the Company;
- 4.6 review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;
- 4.7 ensure that the right balance of skills, expertise and independence is maintained;
- 4.8 identify and nominate candidates for the approval by the Board to fill board vacancies as and when they arise, as well as put in place plans for succession, in particular for the Chairperson and Managing Director;
- 4.9 establish formal, clear and transparent criteria for prospective directors and evaluation of current directors;
- 4.10 assess the effectiveness of Board and the direct process of renewing and replacing of Board members;
- 4.11 ensure that board members receive thorough orientation on board governance and key strategic issues;

- 4.12 ascertain whether potential new Directors are fit and proper and are not disqualified from being Directors (prior to their appointment);
- 4.13 make recommendations to the Board for the continuation (or not) in services of any Director who has reached the age of 70;
- 4.14 The Committee will liaise with the Board in relation to the preparation of the Committee's report to Shareholders, as required;
- 4.15 review and advise on the remuneration policy generally of the Company in consultation with the Group HR/ CEO;
- 4.16 review the annual corporate social responsibility policies and related budgets.

5. REMUNERATION

- 5.1 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, and pursuant to the specific power conferred upon the Board by the Constitution of the Company, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board.
- 5.2 Such special remuneration shall be in addition to the annual fees payable to Directors.

6. GENERAL

- 6.1 The Corporate Governance Committee, in carrying out its tasks under these Terms of Reference, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.
- 6.2 The Board will ensure that the Committee will have access to professional advice both inside and outside the Company in order for it to perform its duties.
- 6.3 These Terms of Reference may be amended as required, subject to the approval of the Board.

7. ASSESSMENT

The Committee shall every 2 years conduct a self-evaluation to assess its effectiveness in fulfilling its responsibilities and duties set out in this terms of reference.