

Re:Key Governance Responsibilities and Accountabilities

Background

The National Code of Corporate Governance for Mauritius (2016) recommends that the Board of Directors to consider developing a position statement for each senior governance position within the organisation, particularly, for the Chairman, Chief Executive Officer, Chairman of each Board Committee and Company Secretary. Further, the position statement of the key senior governance positions must be published in the organisation website.

(i) Chairman of the Board

The roles of the Chairman and the Chief Executive Officer are distinct. The Chairman is primarily responsible for the activities of the Board and its Committees. He is responsible for the running of the Board and ensuring its effectiveness in all aspects of its role, including regularity and frequency of meetings. He acts as the spokesman for the Board and is the principal contact for the Chief Executive Officer. The Chairman and the Chief Executive Officer of the Board meet regularly. The Chairman discusses and sets the agenda with the Chief Executive Officer and the Company Secretary, and facilitates the effective contribution of non-executive directors and encourages active participation during Board meetings. He ensures that Board members, upon appointment, participate in an induction programme and that the development needs of directors are identified and appropriate training is provided. The Chairman ensure effective implementation of Board decisions. The Chairman should ensure that directors (particularly non-executive directors) have sufficient time to consider critical issues and obtain answers to any questions or concerns they may have and are not faced with unrealistic deadlines for decision making. The Chairman maintains sufficient contact with major Shareholders to understand their issues and concerns. The Chairman also ensures that the views of Shareholders are communicated to the Board as a whole so that all directors develop an understanding of their views.

(ii) Chief Executive Officer

The Chief Executive Officer has the authority and responsibility to manage the overall operations and resources. He acts as the main point of contact between the Board and the Management. The Chief Executive Officer ensures that a proper assessment of the risks under a variety of possible or likely scenarios is undertaken and presented to the Board. The other responsibilities of the Chief Executive Officer include among others: to develop and recommend to the Board a long-term vision and strategy for the Company as well as the annual business plans and budgets that support the Company's strategy; to execute and implement the strategy of the Board; to monitor the Company's performance and keep the Board appropriately informed; to foster a corporate culture that promotes ethical practices, rejects corrupt practices, offers equal opportunities, encourages individual integrity and meets social responsibility objectives and imperatives. The Chief Executive Officer serve as the chief spokesperson on all operational

and day-to-day matters. The Chief Executive Officer communicates effectively with stakeholders and the public.

(iii) Chairman of the Audit, Risk Management and Corporate Governance Committee

The Chairman of the Audit, Risk Management and Corporate Governance Committee works in close cooperation with and provides support and advice to the Chairman of the Board. He/She has the following responsibilities, amongst others:-

- To provide risk expertise to the Committee;
- To ensure the financial statements comply with the appropriate accounting standards;
- To guide and advise the Board on an appropriate risk management framework; and
- To report the deliberations of the Audit, Risk Management and Corporate Governance Committee to the Board.

(iv) Chairman of the Investment and Credit Committee

The Chairman of the Investment and Credit Committee provides support and advice to the Board. The Investment and Credit Committee has the following responsibilities, amongst others:-

- To define and propose investment strategies, policies and guidelines;
- To approve internal processes relating to investment proposals, including all documentation required to be completed;
- To consider, approve or make recommendations to the Board on investment proposals; and
- To consider and make recommendations to the Board for disposal of unquoted and/or strategic investments.

(v) Chairman of the HR Committee

The Chairman of the HR Committee works in close cooperation with and provides support and advice to the Chairman of the Board. He/She has the following responsibilities, amongst others:-

- To define an appropriate HR policy;
- To agree, develop and recommend to the Board the Company's general policy pertaining to remuneration, recruitment and promotion of employees;
- To review the terms and conditions of service of employees;
- To recommend to the Board any benefits in kind, annual bonuses, performance-based incentives, pensions and other benefits to be paid to employees; and
- To optimize Human Resource employment within the Company, including the rotation of staff.

(vi) Chairman of the Strategic Committee

The Chairman of the Strategic Committee works in close cooperation with and provides support and advice to the Chairman of the Board. He/She has the following responsibilities, amongst others, to assist the Board of Directors in:-

- discharging its oversight duties for the development and implementation of IFCM strategic plan and the risks associated with such plan.
- assessing major financial and investment plans of the Company taking in account risk factors involved.
- Ensure that there is a proper road map for execution of the strategic plan by closely monitoring key performance areas.

(vii) Chairman of the Technical Committee

The Chairman of the Strategic Committee works in close cooperation with and provides support and advice to the Chairman of the Board. He/She has the following responsibilities, amongst others:-

- To define and propose the Fund's investment strategies, policies and guidelines with regards to the Credit Guarantee Scheme (CGS);
- To oversee the Fund's investment strategy under the CGS is being correctly implemented,
- To approve internal processes relating to claims under the CGS, including all documentation required to be completed; and
- To consider, approve or make recommendations to the Board regarding claims under the CGS.

(viii) Company Secretary

The Company Secretary provide guidance and support to the Board as a whole and directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company. The main responsibilities of the Company Secretary include amongst others, to: prepare and circulate agendas of Board, Board Committees and Shareholders' meetings and any supporting papers; take minutes of meetings and circulate same to members; ensure that the procedure for the appointment of directors is properly carried out; and ensure that the Corporation complies with its Constitution and all relevant statutory and regulatory requirements and any procedures set by the Board. The Company Secretary ensures the presentation of high-quality information to the Board, Board Committees and Shareholders and that the meetings and resolutions of the Board and Shareholders are held and passed in accordance with the Company's Constitution and the Companies Act. The Company Secretary assists in the proper induction of directors, including assessing the specific needs of directors. The Company Secretary provides comprehensive practical support and guidance to directors both as individuals and as a collective with particular emphasis on supporting the nonexecutive directors.

