

**ISLAND LIFE ASSURANCE CO. LTD ('the Company' or 'ILA')**  
**Board Charter ("Charter")**

**1. Definitions**

- a. Reference to "the Committee" shall mean "Board Committee".
- b. Reference to "the Company" shall mean "Island Life Assurance Co. Ltd".
- c. Reference to the "Board" shall mean the "Board of Directors of the Company".
- d. Reference to the "Group" shall mean the "Currimjee Group of Companies".

**2. Introduction**

**2.1 Complementary to Law and Articles**

This Charter shall be read in conjunction with the requirements regarding the Board and Board Directors contained in Mauritian legislation and regulations, the Constitution of the Company and the provisions governing the relationship between the Board and its Board Committees as contained in the Terms of Reference of the Board Committees adopted by the Board.

The Company is a Public Interest Entity ("PIE") as defined by the Financial Reporting Act. The governance of the Company is principally guided by the provisions of the Mauritius Companies Act 2001, the Financial Report Act 2004, the Mauritian Insurance Act 2015, the National Code of Corporate Governance of Mauritius 2016 ("the Code") and its constitutive documents.

**2.2 Charter on Website**

This Charter will be posted on the Company's website once the website has been developed.

**3. Composition of the Board, Positions, Committees**

**3.1 Board Profile, Size, Expertise and Independence**

**(a) Board Profile**

The Company is directed by a unitary Board and is currently comprised of one Executive Director, seven Non-Executive Directors including the Chairman and three Independent Director/s.

**(b) Categories of Directors**

- ✓ Executive Director: The Director is involved in the day-to-day management of the Company.
- ✓ Non-Executive Directors: They are Directors not involved in the day-to-day management of the Company.

- ✓ Independent Director/s: An Independent Director is one who:
- Has not been an employee of the Company or companies forming part of the Group within the past three years;
  - Has not had within the past three years, a material business relationship with the Company either directly or as a partner, Shareholder, Director, or senior employee of a body that has such a relationship with the Company;
  - Has not received additional remuneration from the Company apart from a Director's fee or as a member of the Company's pension scheme;
  - Is not a nominated Director representing a substantial shareholder;
  - Does not have close family ties with any of the Company's advisers, Directors or senior employees;
  - Does not have cross directorships or significant links with other Directors through involvement in other companies or bodies;
  - Has not served on the Board for more than nine continuous years from the date of his first election.

The Board, at its sole discretion, reserves the right to grant derogations to the above criteria, so as not to sacrifice knowledge and industry experience, in favour of independence.

### **(c) Board Size**

The Board determines its profile, size and composition in consultation with the Board of Currimjee Jeewanjee and Company Limited, taking into consideration the Board's desired expertise and domain skills, experience and background of Directors, diversity and size.

The Board shall be made of not less than **five (5)** Directors not more than **ten (10)** Directors. The Directors shall be appointed by the Shareholders in General Meeting (Clauses 89 and 90 of the Memorandum and Articles of Association).

## **3.2 Appointment, Term of Office, Resignation.**

### **(a) Appointment**

Directors shall be appointed by an ordinary resolution passed by the Shareholders. (Clause 90 of the Memorandum and Articles of Association).

The Board has power to appoint a person to be a Director to fill a casual vacancy. (Clause 91 of the Memorandum and Articles of Association).

Any Director shall have the power to appoint a person to act as Alternate Director in his place and at his discretion to remove such Alternate Director and to appoint another in his stead, provided that the appointment of such Alternate Director shall be made in writing and on such appointment being made, the Alternate Director shall in all respects be subject to the terms and conditions existing with reference to the other Directors of the

Company.(Clause 90 of the Memorandum and Articles of Association).

**(b) Term of Office**

The terms of appointment for the Independent Directors and the Non-Executive Directors shall be for a period of 3 years.

Every Director shall hold office until the next Annual Meeting, when he/she shall be eligible for re-election, or until his/her resignation, disqualification or removal. (Clause 111 of the Memorandum and Articles of Association)

Director's election and or re-election shall be subject to an Annual Directors' Performance Evaluation.

**3.3 Chairman**

**(a) Election**

The Board shall elect a Chairman of the Board, from among its members and determine the period for which he/she is to hold office. (Clause 119 of the Memorandum and Articles of Association)

**(b) Duties and Responsibilities.**

The Duties and Responsibilities of the Chairman are set out in the "Position Statement of the Chairman as adopted by the Board on 25 March 2019 – **Annex 1**.

**3.4 Company Secretary**

**(a) Company Secretary**

The Company Secretary, through its representative(s), assists the Board.

**3.5 Board Committees**

**Establishment and Responsibilities of Board Committees**

The Board may appoint Board Committees from among its Members to perform specific tasks and to assist it in discharging its duties.

As at date, the Board has established the following Board Committees:

- ✓ The Audit and Risk Committee
- ✓ The Corporate Governance Committee
- ✓ The Investment Committee
- ✓ The Strategy & Business Committee

These Committees operate within defined terms of reference outlining their objectives, composition, functioning, responsibilities and reporting requirements.

The Board remains collectively responsible for the decisions and actions taken by the Committees.

### **3.6 Role and Responsibilities of the Board**

The Board is *inter-alia* responsible for the following:

- ✓ Values, Vision and Strategy - To establish, communicate and spread the core values of the Company and ensure that these values lead into a coherent vision in line with that of the Shareholders. This vision should drive strategy and strategic plans, which serves to strengthen the competitive advantages of the business and ensure optimal allocation of capital.
  
- ✓ Monitoring of Performance - Financial Planning and Business Monitoring: To ensure a proper system of financial and business planning including yearly plans to achieve strategic objectives which cover organizational and financial processes. The financial and business planning shall ensure a sound system of monitoring and corrective action.
  
- ✓ Board Structure and Board Governance - The Board is ultimately accountable and responsible for the performance and affairs of the Company. This involves a set of relationship between the Board, Management, its Shareholders and other relevant Stakeholders, and as such, shall be headed by an effective Board, which can both lead and control the Company.
  
- ✓ Human Resource Planning / Systems and Management - To ensure that the Human Resources, their management and development are given the proper thrust and importance by the Board. The Board shall also ensure that the HR systems, policies and issues relating to human potential are discussed at the board giving management direction.
  
- ✓ Internal Control and Risk Management - to put in place and maintain a sound system of internal control and risk management.
  
- ✓ Communications / Corporate Stewardship - to ensure that the necessary systems are in place for the discharge of its responsibility for effective governance and stewardship towards all stakeholders through appropriate governance policies and regular communications.

### **3.7 Board Assessment**

The Board undertakes a formal yearly assessment of its own performance.

### **3.8 Induction Program for newly Appointed Directors**

Newly appointed Directors undergo an induction programme, to familiarize them with the Company's operations, business environment and senior management. They are also entitled to receive an induction pack outlining the Company's purpose, mission and values, the board governance structure and key governance policies, an overview of the previous year's performance, the annual operating plan, the three-year strategy, major projects and Board initiatives.

### **3.9 Remuneration Philosophy**

The Nomination and Remuneration Committee of Currimjee Jeewanjee and Company Limited, the holding company, oversees the appointment, replacement and removal of Directors on the Board of the Company.

Directors are appointed on merit, in a formal and transparent process with view to maintaining an optimal Board structure, taking into consideration the Board's requirements and the Code's guidelines.

Independent Directors who are members of the Board Committee are paid committee fees, in addition to their Director's fees. Independent Directors are also remunerated for attendance at Board Meetings.

Directors residing overseas are reimbursed for travelling expenses, including airfares, hotel accommodation and out of pocket expenses incurred by the Directors in the performance of their roles and duties.

### **3.10 Professional Development & Succession Planning**

The Board assumes the responsibilities for succession planning for Directors and Senior Key Management positions.

The Company provides regular updates and the necessary resources to the Directors to best develop their knowledge and capabilities. Directors are kept abreast of trends in the business, competitive and regulatory environments regularly at Board Meetings.

The Board recognizes and nurtures talent and a Talent Development Programme, at the level of the holding company, Currimjee Jeewanjee and Company Limited, is in place to ensure that the Company creates opportunities to develop current and future leaders.

## **4. Board Meetings and Decision-Making**

### **4.1 Frequency, Notice, Agenda and Venue of Meetings**

#### **(a) Frequency, and Agenda**

The Board has established an annual Board calendar and ensures proper coverage of the matters laid out in the annual meeting plan.

The Board shall meet at least four (4) times a year at appropriate times, or earlier than scheduled, if deemed necessary by the Chairman of the Board or at the request of the Chief Executive Officer or two other Directors.

**(b) Notice and Agenda**

Notice of Board Meetings, confirming the venue, date and time, together with an Agenda of items shall be set by the Chairman in consultation with the Chief Executive Officer and the Company Secretary. A seven days' notice of meeting of a Board shall be sent to every Director.

**(c) Quorum**

The quorum necessary for the transaction of business of the Directors may be fixed by the Directors and unless so fixed shall be three (3) Directors. (Clause 117 of the Memorandum and Articles of Association)

No business shall be transacted at a meeting of Directors if a quorum is not present.

If within quarter of an hour (15) minutes past the time appointed for any meeting of the Board, the quorum is not present, such meeting shall stand adjourned to the same day in the following week at the same time and place provided such day is a working day and otherwise to the next following working day; if at such adjourned meeting a quorum is not present, the Directors present not being less than two (2) shall form a quorum and may transact the business standing to the order of the day.

**(d) Voting**

Every Director shall have one vote.

**(e) Minutes**

The Board shall ensure that minutes are kept of all proceedings at meetings of the Board (Clause 24.9 of the Company's Constitution).

The Minutes shall be circulated to the Directors within fifteen (15) working days after the date of the Meeting.

**(f) Resolution in Writing**

Board resolutions may also be adopted in writing, signed or assented to, by all the Directors. (Clause 24.10 of the Company's Constitution).

**5. Other Provisions**

**5.1 Conflicts of Interest of Directors**

**(a) Duty to Disclose**

A Director shall, forthwith after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, cause to be entered in the Interests Register, and disclose to the Board of the Company: -

- (i) Where the monetary value of the Director's interest is able to be quantified, the nature and monetary value of that interest; or
- (ii) Where the monetary value of the Director's interest cannot be quantified, the nature and extent of that interest.

A Director who has declared his interest in accordance Clause 147 of the Companies Act 2001, shall not be present at the part of the Board Meeting in which any matter relating to the transaction or proposed transaction in which he/she is interested is discussed, and should not participate in the debate, vote or indicate how he/she would have voted on the transaction, at the Board Meeting.

The Company Secretary maintains an interest register, which is available to Shareholders upon written request to the Company Secretary.

#### **(b) Related Party Transactions**

The Board has adopted a "Related Party Transaction Policy" to ensure due and timely identification, approval process, disclosure and reporting requirements of transactions between the Company and any of its related Parties.

The Audit & Risk Committee has been assigned responsibility to monitor and report related party transactions to the Board.

## **5.2 Confidentiality**

### **(a) Duty to Keep Information Confidential**

Unless required to do so by law, no Director shall, during his or her Directorship, 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 he/she knows or should know to be of a confidential nature.

A Director shall not use such confidential information for his or her personal benefit.

### **(b) Notice of Disclosure**

If a Director, or any person attending a Board Meeting, intends to disclose to third parties information which he/she has become aware of in his/her duties and which may be confidential, he/she must inform the Chairperson of his/her intent and the identity of the person who is to receive the information with sufficient notice for the Chairman to assess the situation and advise the Director.

### **5.3 Governance Practices, Directors Ethics and Policies.**

The Board fully supports and has adopted the Governance Principles contained in the National Code of Corporate Governance of Mauritius 2016 (“the Code”) and strives to be as transparent and complete as possible in its disclosures and reporting requirements.

The Board has approved a Code of Conduct, which ensures that the Company’s Directors and Employees are clear on the ethical, behavioral and professional standards that are expected from them.

The Code of Conduct can be consulted on the Company’s website.

### **5.4 Miscellaneous**

#### **(a) Acceptance by Directors**

Any person who is appointed as a Director of the Company must, upon assuming office, declare in writing to the Company that he/she accepts and agrees to comply with the provisions of this Charter. A corresponding reference to this extent shall be included in the appointment letter.

#### **(b) Review and Amendment of the Present Charter.**

This Charter shall be reviewed as and when required by the Board, but at least every two (2) years.

### **6. Approval of the Present Charter**

This Charter has been unanimously approved by the Board on **20<sup>th</sup> April 2021**.