

# **KASA GROUP LTD**

## **BOARD CHARTER**

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F	Position Statement of the Company Secretary

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### 1. INTRODUCTION

- 1.1 The Board of Directors of the Company (the “Board”) derives its authority from the Company’s shareholders on whose behalf it **governs** the Company.
- 1.2 As such, the Board must establish strategies and policies to drive the successful business performance of the Company, to ensure good **governance**, and to build long-term value for shareholders with due regard to the interests of other stakeholders.
- 1.3 The Company forms part of a group, with the Company being the parent company of some of these companies. The Company has been entrusted with overseeing the corporate governance matters for its subsidiaries. The Board and its committees shall take up matters related to the corporate governance of these companies and give recommendations to these subsidiaries.

### 2. ENFORCEMENT, PURPOSE OF CHARTER

#### 2.1 **Enforcement**

- 2.1.1 As part of the Company’s **corporate governance** framework, the Board has adopted this Board Charter and each Director has undertaken in writing to observe it.
- 2.1.2 This Board Charter is subject and complementary to the provisions of the Companies Act 2001, the National Code of Corporate Governance (2016) and any applicable law or regulatory provision.
- 2.1.3 The Board Charter supplements, but does not replace, the Companies Act 2001. Matters governed by the Companies Act 2001 have not been reproduced here.
- 2.1.4 If permitted by law, the Board may occasionally decide (**by majority**), at its sole discretion, not to comply with the provisions of this charter.

#### 2.2 **Purpose**

The purpose of the Board Charter is to provide a **concise overview** of:

- 2.2.1 The composition, roles, responsibilities, duties and powers of the Board;
- 2.2.2 The powers delegated to various Board Committees of the Company; and,
- 2.2.3 The policies and practices of the Board with respect to its duties, functions and responsibilities including corporate governance.

#### 2.3 **Publication**

A summary of the salient points of this charter is available on the Company’s website: (<https://www.kasa.mu>) as from 01 December 2024.

### 3. THE SHAREHOLDERS

- 3.1 Matters reserved for decision-making by the shareholders of the Company are set out in the Companies Act 2001.
- 3.2 The Board will provide the shareholders with its recommendation and relevant material information in respect of resolutions proposed for shareholders’ approval.
- 3.3 Directors are responsible for reporting with integrity and preparing the annual report and accounts that are fair, balanced and understandable and provide the necessary information for shareholders and key stakeholders to assess the Company’s position, performance and outlook.
- 3.4 The Chairperson of the Board shall chair the general meeting of shareholders.
- 3.5 All Directors are expected to attend shareholders’ meetings.

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- 3.6 The Chairpersons of Board Committees are expected to be available at the Company’s annual meeting of shareholders to respond to relevant questions or queries.
- 3.7 The Board shall ensure that the external auditors attend the Annual meeting and are available to be questioned by the shareholders in relation to the audit.
- 3.8 In accordance with the Companies Act 2001, the Chairperson shall **not** have a casting vote at a shareholders’ meeting in case of equality of votes.

## 4. THE BOARD

### 4.1 Role, Responsibilities, Duties and Powers

- 4.1.1 The Board shall act in the best interests of the Company / Group and its business, taking into consideration the interests of its shareholders and stakeholders.
- 4.1.2 The Board oversees the general business of the Company, and its main role, responsibilities, duties and powers are as follows:
  - 4.1.2.1 To validate the strategic direction of the Company;
  - 4.1.2.2 To collectively oversee the management, governance and control of the Company;
  - 4.1.2.3 To promote its long-term success, including, *inter alia*:
    - 4.1.2.3.1 The achievement of the Company’s objectives;
    - 4.1.2.3.2 The strategy and risk in the Company’s activities;
    - 4.1.2.3.3 The structure of internal risk management, audit and control systems;
    - 4.1.2.3.4 The financial reporting process;
    - 4.1.2.3.5 Compliance with laws and regulations;
    - 4.1.2.3.6 Sustainability of the Company;
    - 4.1.2.3.7 Succession planning for Board members and key officers;
    - 4.1.2.3.8 The performance and security of information and information technology systems that lead to business benefits and values.
  - 4.1.2.4 To exercise skill and care in their role as Directors of the Company;
  - 4.1.2.5 To provide effective and ethical leadership in the best interest of the Company;
  - 4.1.2.6 To act lawfully and honestly within the Company's powers;
  - 4.1.2.7 To ensure the Company's prosperity by collectively directing the Company's affairs, whilst meeting the appropriate interests of all its shareholders and stakeholders;
  - 4.1.2.8 To ensure that it obtains all information from the management and the internal and external auditors needed to carry out their duties, the Board may require certain officers and external advisers to attend, but never to vote, at Board meetings.
  - 4.1.2.9 To comply with the provisions in the Company’s Board Charter, Committees’ Terms of Reference, Code of Ethics and in-house policies applicable to the Board.
- 4.1.3 The Board may hire experts to assist or advise them.
- 4.1.4 Non-Executive Directors shall have no individual authority to participate in the day-to-day management of the Company and, as such, shall not enter into any representation or agreement with members companies, suppliers, customers, employees, other parties or entities unless such authority is explicitly delegated by the Board, by means of a resolution, to act either individually or as a member of a Board Committee.

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- 4.1.5 **Annex A** enumerates the core duties of Directors.
- 4.1.6 It shall be the prerogative of the Board of Directors to determine the conditions of employment of the Company’s Managing Director.

### 4.2 **Composition, size, expertise and independence**

- 4.2.1 The Board shall prepare a profile of its composition, size and desired expertise with relevant and complementary skills, including financial skills and expertise.
- 4.2.2 The minimum number of Directors is **FOUR (4)** and the maximum is **TEN (10)**.
- 4.2.3 Until otherwise resolved, the following criteria will apply for Board composition:
  - 4.2.3.1 All Board members shall have sufficient expertise to fulfil their role as Board member.
  - 4.2.3.2 The Board shall be composed of not less than **ONE (1)** Independent Non-Executive Director.
  - 4.2.3.3 The Board shall be composed of at least **ONE (1)** man and **ONE (1)** woman.
- 4.2.4 The Board will ensure that, collectively, it has the appropriate level of skill and experience required to properly fulfil its responsibilities.
- 4.2.5 The size and composition of the Board and various Committees are reviewed **every three (3) years**. The Board shall ensure that its members can act independently of one another and have sufficient time to effectively fulfill their role as a Board member.
- 4.2.6 The criteria for determining whether a Director qualifies as independent is found in **Annex B**.
- 4.2.7 Independent Directors shall be requested to provide an undertaking with regards to their status of Independent Directors.
- 4.2.8 Non-Executive Directors shall consider meeting periodically with management in the absence of the Managing Director and Executive Director(s).

### 4.3 **Appointment**

#### 4.3.1 **Directors**

- 4.3.1.1 Directors shall be appointed by the shareholders at a general meeting and in accordance with the constitution of the Company and as per the *Appointment of Directors Policy* of the Company [**as per Annex C**].
- 4.3.1.2 The Board of Directors may appoint a Director to fill a casual vacancy.
- 4.3.1.3 Directors may assist in the process of identifying suitable candidates to be proposed to the Board and to the Shareholders according to set criteria.
- 4.3.1.4 This Board Charter is considered to be an integral part of the conditions of appointment of all Directors and should be read in conjunction with their letters of appointment.
- 4.3.1.5 A letter of appointment shall be provided to each new Director, save for Executive Directors.
- 4.3.1.6 Directors will receive appropriate induction upon appointment, as defined in the Induction Checklist.
- 4.3.1.7 Continuous education and professional development shall be made available to Directors, as required. Moreover, the Board shall conduct periodic reviews to identify areas in which Board members require further training or education.

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### 4.3.2 **Chairperson**

- 4.3.2.1 The Board shall elect a Chairperson from among its members.
- 4.3.2.2 Board meetings are chaired by the Chairperson of the Board. Should he/she not be present, the members of the Board present at the meeting will have authority to appoint among them, a Chairperson, to chair this particular meeting.
- 4.3.2.3 The Chairperson must be a Non-Executive Director.
- 4.3.2.4 The position statement of the Chairperson is found in **Annex D**.

### 4.3.3 **Managing Director**

- 4.3.3.1 The Managing Director is appointed by the Board.
- 4.3.3.2 The position statement of the Managing Director is found in **Annex E**.

### 4.3.4 **Company Secretary**

- 4.3.4.1 The Company Secretary is appointed by the Board.
- 4.3.4.2 The position statement of the Company Secretary is found in **Annex F**.

### 4.3.5 **Board Committees**

- 4.3.5.1 The Board may establish Committees to assist the Board and its Directors in discharging their duties in specific areas as defined in the Committees’ Terms of Reference.
- 4.3.5.2 The Board has established an Audit Committee and a Corporate Governance Committee.
- 4.3.5.3 The Board may form additional Committees from among its members with specific terms of reference.
- 4.3.5.4 The Board remains collectively responsible for the decisions and actions taken by any Committee.
- 4.3.5.5 The Board has established (and may amend) the Terms of Reference of each Committee. The Terms of Reference indicate the role and responsibilities of the Committee, its composition and how it should perform its duties.
- 4.3.5.6 Upon recommendation of the Corporate Governance Committee, the Board shall appoint and remove the members of each Committee.
- 4.3.5.7 Each Committee must promptly inform the Board of its actions, findings and major developments of which it becomes aware. Each Board member has unrestricted access to all Committee meetings and records.
- 4.3.5.8 Chairpersons of the Committees shall report to the Board of Directors at the next Board meeting on matters dealt with by these Committees.

## 4.4 **Board meetings**

### 4.4.1 **Frequency, Notice, Agenda, Meeting Papers**

- 4.4.1.1 The Board shall meet as often as necessary, but not less than **TWO (2)** times a year. Meetings shall be scheduled annually in advance according to an annual calendar.
- 4.4.1.2 Meetings of the Board are called by the Chairperson. Save in urgent cases, as determined by the Chairperson, the agenda for a meeting and related documentation shall be sent to all Board members at least **FIVE (5)** working days before the meeting. The Chairperson shall consult with the Managing Director prior to convening the meeting on the content of

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the agenda. Each Board member and the Managing Director has the right to request that an item be placed on the agenda of a Board meeting; provided that the item is notified to the Chairperson at least **THREE (3)** days prior to the meeting.

### 4.4.2 Attendance, Quorum

4.4.2.1 The quorum for a meeting of Directors shall, in line with the Companies Act 2001, be **a majority** of the Directors.

4.4.2.2 The General Manager, even where he/she is not a member of the Board, shall attend Board meetings unless the Board instructs him/her not to attend. If requested by the Board, other executives shall also attend meetings of the Board, in whole or in part.

### 4.4.3 Undue Absence

If a Board member is frequently absent from Board meetings, he/she shall be required to explain these absences to the Chairperson.

### 4.4.4 Attendance by Non-Members

The admission to a meeting of persons other than Board members, the Managing Director, the Secretary and, if invited, other executives, shall be decided by majority vote of the Board members present at the meeting.

### 4.4.5 Decision Making Process

4.4.5.1 Preference is given to adopting a resolution unanimously. Where unanimity cannot be reached, decisions are taken by simple majority of the Directors present and voting.

4.4.5.2 In accordance with the Companies Act 2001, the chairperson of the Board of Directors shall **not** have a casting vote at meetings of the Directors in case of equality of votes.

4.4.5.3 Decisions may be taken by way of written resolution(s) signed by all the Directors in accordance with the eighth schedule of the Companies Act 2001.

4.4.5.4 A summary of signed written resolutions shall be presented for information purposes at the next Board meeting.

4.4.5.5 Minutes must be drawn for every Board meeting. The minutes are to be signed by the Chairperson of the meeting and the Company Secretary.

### 4.4.6 Emergency Procedures

The Board may derogate from the provisions of 4.4.1.2 above if deemed necessary by the Chairperson of the Board, taking into account the urgency and other circumstances of the case, provided that all Board members are given the opportunity to participate in the decision-making process.

## 4.5 Assessment

4.5.1 The Board shall evaluate its collective performance and that of its individual members **every three (3) years**.

4.5.2 Assessments may be carried out in-house by the Company Secretary or by an external consultant.

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### 4.6 **Remuneration of Directors and Committee Members**

- 4.6.1 Remuneration of members of the Board and Committee(s) shall be recommended by the Corporate Governance Committee, validated by the Board, and approved by the shareholders at annual meetings.
- 4.6.2 Board and Committee members shall be reimbursed for all reasonable costs incurred in attending meetings.
- 4.6.3 The Company shall provide Directors with a Director’s and Officer’s Liability insurance during the term of their tenure.

## 5. AUDITORS

### 5.1 **External Auditor**

- 5.1.1 The Board shall request that the external auditor attends the meeting of the Audit Committee during which the report of the external auditor with respect to the audit of the annual accounts is discussed, and during which the Committee decides whether or not to recommend to the Board approval of the annual accounts. The Board shall request the external auditor to attend Board meetings, if deemed necessary.
- 5.1.2 The Board’s principal contact with the external auditor is through the Chairperson of the Audit Committee. If irregularities in the financial reports are discovered, the first discussion regarding such irregularities should be between the Audit Committee and the external auditor.
- 5.1.3 The Board, through the Audit Committee, shall carefully consider and, if accepted, implement any recommendations made by the external auditor. This will include recommendations of the external auditor on the Company’s internal controls, as expressed in their ‘*Management Letter*’.
- 5.1.4 **Remuneration of External Auditor** – The remuneration of the external auditor, and instructions to the external auditor to provide non-audit services shall be closely reviewed and approved by the Board on the recommendation of the Audit Committee, thus ensuring the auditor’s independence.
- 5.1.5 **Conflicts of Interest** – Conflicts of interest and potential conflicts of interest between the external auditor and the Company shall be resolved as determined by the Board, on the recommendation of the Audit Committee.

### 5.2 **Internal Auditors**

The Board shall ensure that Internal Auditors are duly appointed by management in order to provide independent and objective assurance to the Board, Audit Committee and management that the Company’s risk management, governance and internal control processes, which management has put into place, are functioning effectively.

## 6. RISK MANAGEMENT FRAMEWORK

- 6.1 The Board is responsible for the governance of risk and ensuring that the Company executes a comprehensive and robust risk management system.
- 6.2 The Audit Committee shall assist the Board, *inter alia*, in its oversight of risks and risk management within the Company / Group and to provide independent and objective oversight of all aspects of market, credit, liquidity, asset management and operational risks, including strategic risks and covering financial, regulatory and reputational impacts of such risks.

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6.3 The Chairperson of the Audit Committee shall report on matters addressed with regards to Risk Management at Board meetings.

### 7. GROUP COMPANIES

7.1 The Company has four (4) direct subsidiaries, at the time of approval of this Charter. As a direct shareholder of these subsidiaries, the Company exercises its shareholder rights to ensure that the Company approves the material decisions of its subsidiaries and that the Group’s minimum requirements in terms of governance, internal control, financial management, disclosure control, risk management, legal compliance, internal audit, human resource management, information management, and relations with stakeholders, are complied with.

7.2 Group functions design the systems, processes and capacity to ensure that all Group companies meet the minimum Group requirements.

### 8. DISCLOSURE AND CONFLICTS OF INTEREST

Under the Companies Act 2001 and relevant legislations, a director who has a personal financial interest in a matter to be considered at a Board meeting, or knows that a related person or an associate has a personal financial interest in the matter:

8.1 Shall immediately report to the Chairperson of the Board, and provide all relevant information, on any conflict of interest or potential conflict of interest;

8.2 Should leave the meeting when the matter is being discussed, unless otherwise resolved by the Board, but shall neither participate in any discussion on the matter (unless requested by the Board to do so) nor vote on the matter.

### 9. NON-DISCRIMINATION POLICY

9.1 The Board does not and shall not discriminate on the basis of race, colour, religion, gender, gender expression, age, national origin, disability, marital status, sexual orientation in any of its activities or operations.

9.2 The Board will ensure that the Company is an equal opportunity employer which will take affirmative action measures to ensure against discrimination in employment, recruitment, advertisements for employment/vacancies, compensation/remuneration, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the basis of race, colour, gender, national origin, age, religion, disability, sexual orientation, gender identity or gender expression.

### 10. CONFIDENTIALITY

#### 10.1 Duty to Keep Information Confidential

Unless required by law, no Board member shall, during his/her membership on the Board 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/her knowledge in the capacity of his/her work for the Company and which he/she knows or should know to be of a confidential nature. A Board member may disclose such confidential information to fellow Board members as well as to staff members of the Company and companies in which the Company holds a stake who, in view of their activities for the Company and companies

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in which the Company holds a stake. A Board member shall not use such confidential information for his/her personal benefit.

### 10.2 **Confidential Information**

At the end of a Board member’s term of office, he/she shall return to the Company all confidential documents in his/her possession or guarantee their use in such a manner as to preserve confidentiality.

### 10.3 **Notice of Disclosure**

If a Board member intends to disclose to third parties information which he/she has become aware of in the performance of his/her duties and which may be confidential, he/she must inform the Chairperson of his/her intention and of the identity of the person who must receive the information with sufficient notice for the Chairperson to assess the situation and advise the Board member. This section applies to both official and personal statements and to any person attending Board meetings which, by virtue of their content and form, are clearly intended only for the Board.

## 11. **ACCESS TO RECORDS**

Each member of the Board has access to the books and records of the Company, if it is useful for the performance of his/her duties. Unless the Terms of Reference of a Committee states otherwise, Board members shall consult with the Chairperson of the Board and the Company Secretary before exercising their rights under this provision.

## 12. **REVIEW OF DOCUMENTS**

12.1 This Board Charter may be amended by the Board of Directors at its sole discretion and without prior notification.

12.2 The Board shall review:

12.2.1. The Board Charter and Committees’ Terms of Reference, including their annexures, **every five years or earlier, if the situation warrants.**

12.2.2. Risk Management Policies.

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Signed by the Chairperson of the day,

Mrs Stephanie Anne Sophie de La Hogue

On 18 October 2024.



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## ANNEX A LEGAL DUTIES OF DIRECTORS

<b>Use of Information and Advice</b> <ul style="list-style-type: none"><li>○ A director may rely on information, reports, professional or expert advice, provided the director:<ul style="list-style-type: none"><li>● acts in good faith</li><li>● makes proper inquiry where the need for inquiry is indicated by the circumstances</li><li>● has no knowledge that such reliance is unwarranted</li></ul></li></ul>	S 145
<b>Management of the company</b> <ul style="list-style-type: none"><li>○ Board has all the powers necessary for managing, directing and supervising the management of the business and affairs of the company</li></ul>	S129
<b>Matters reserved for the Board</b> <ul style="list-style-type: none"><li>○ Board, subject to any restrictions imposed by the Companies Act 2001 or the company’s constitution may delegate one or more of its powers, to the exception of the powers mentioned in the Seventh Schedule of the Companies Act:</li><li>○ Powers which <b>cannot</b> be delegated (Seventh Schedule):<ul style="list-style-type: none"><li>● Section 52: Issue of shares</li><li>● Section 56: Consideration for issue of shares</li><li>● Section 57(3): Shares not paid in cash</li><li>● Section 61: Distribution to shareholders</li><li>● Section 64: Shares in lieu of dividends</li><li>● Section 69: Purchase of own shares</li><li>● Section 78: Redemption of own shares by company</li><li>● Section 81: Giving financial assistance to purchase own shares</li><li>● Section 188: Change of registered office</li><li>● Section 246: Approval of amalgamation proposal</li><li>● Section 247: Short form amalgamation</li></ul></li></ul>	S 131 7 <sup>th</sup> Schedule
<b>Major Transaction</b> <ul style="list-style-type: none"><li>○ Board cannot enter into a major transaction without approval of shareholders:<ul style="list-style-type: none"><li>● If transaction represents &gt; 75% of the value of the total assets, then special resolution</li><li>● If between 50% and 75% of the value of the total assets, then ordinary resolution</li></ul></li></ul>	S130
<b>Powers exercised by Special Resolution of Shareholders</b> <ul style="list-style-type: none"><li>○ Notwithstanding the constitution, special resolution is required to:<ul style="list-style-type: none"><li>(a) adopt a constitution or, if it has one, to alter or revoke the company's constitution</li><li>(b) reduce the stated capital of the company under section 62</li><li>(c) approve a major transaction</li><li>(d) approve an amalgamation of the company under section 246</li><li>(e) put the company into liquidation</li></ul></li></ul>	S103
<b>Remuneration and Benefits of Directors</b> <ul style="list-style-type: none"><li>○ Approved by ordinary resolution of shareholders</li><li>○ If constitution provides so, board may approve directors’ remuneration and benefits, BUT shareholders holding not less than 10% of voting rights who consider payment was</li></ul>	S159

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## ANNEX A LEGAL DUTIES OF DIRECTORS

<p>not fair to the company may require the board to call a meeting to seek approval of shareholders</p> <ul style="list-style-type: none"><li>○ A company shall not make a loan to a director or any relative or related entity of the director except under specific circumstances</li></ul>	
<p><b>Indemnity and Insurance</b></p> <ul style="list-style-type: none"><li>○ Company may, if provided by constitution and approved by board, effect insurance for a director or employee in respect of:<ul style="list-style-type: none"><li>(a) liability, not being criminal liability, for any act or omission in his/her capacity as a director or employee</li><li>(b) costs incurred by that director or employee in defending or settling any claim or proceeding relating to any such liability; or</li><li>(c) costs incurred by that director or employee in defending any criminal proceedings -<ul style="list-style-type: none"><li>i. that have been brought against the director or employee in relation to any act or omission in that person's capacity as a director or employee</li><li>ii. in which that person is acquitted; or</li><li>iii. in relation to which a <i>nolle prosequi</i> is entered</li></ul></li></ul></li></ul> <p>This has to be disclosed in board minutes, interest register and annual report</p>	
<p><b>Standard of Care and Civil Liability of Officers</b></p> <ul style="list-style-type: none"><li>○ Every officer of a company shall exercise:<ul style="list-style-type: none"><li>(a) the powers and discharge the duties of his/her office honestly, in good faith and in the best interests of the Company; and</li><li>(b) the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances</li></ul></li></ul>	S160
<p><b>Solvency Certificate required to be signed:</b></p> <ul style="list-style-type: none"><li>○ Authorising a distribution/ dividends</li><li>○ Reduction of stated capital</li><li>○ Approval of shareholder discount scheme</li><li>○ Acquisition/ redemption of own shares</li><li>○ Providing assistance for acquisition of own shares</li><li>○ Approval of amalgamation proposal</li></ul>	S170
<p><b>Duties of Directors on Insolvency (Duties owed to creditors)</b></p> <ul style="list-style-type: none"><li>○ A director who believes that the Company is unable to pay its debts as they fall due, shall forthwith call a board meeting to appoint a liquidator or an administrator</li><li>○ If Company fell into liquidation, directors may be held liable for the whole or part of any loss suffered by creditors as a result of the Company continuing to trade</li></ul>	S162
<p><b>Derivative Actions</b></p> <ul style="list-style-type: none"><li>○ Court may grant leave to a shareholder or director to bring proceedings on behalf of the Company or its subsidiary or intervene in proceedings</li></ul>	S170
<p><b>Personal actions by Shareholders against Director</b></p> <ul style="list-style-type: none"><li>○ A Shareholder may bring an action against a director for breach of duty owed to him/her. under the following circumstances: (not exhaustive)</li></ul>	S174 S148

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<ul style="list-style-type: none"><li>• Disclosure of interest</li><li>• Disclosure of share dealing</li></ul> <p>○ Any shareholder may bring an action against the Company for duty owed to him/her as a shareholder</p>	S156  S176
<b>Company Records</b> <ul style="list-style-type: none"><li>○ Section 190 lists the records that have to be kept</li><li>○ Certain records: to be kept for seven years</li><li>○ The board shall ensure that adequate measures exist to prevent the records (as per Section 190) being falsified and detect any falsification of them</li><li>○ Every director of a company shall be entitled, on giving reasonable notice, to inspect the records (provided in Section 190) of the company in written form, without charge and at a reasonable time specified by the director</li></ul>	S190  S191  S192

<b>CODE OF CORPORATE GOVERNANCE</b>	
<p>○ Responsibility of the board to ensure that the National Code of Corporate Governance (2016) is complied with:</p>	
<b>Governance Structure</b> <ul style="list-style-type: none"><li>○ All organisations should be headed by an effective board.</li><li>○ Responsibilities and accountabilities within the organisation should be clearly identified</li></ul>	Pr 1
<b>The Structure of the Board and its Committees</b> <ul style="list-style-type: none"><li>○ The board should contain independently minded directors</li><li>○ It should include an appropriate combination of executive directors, independent directors and non-independent non-executive directors to prevent one individual or a small group of individuals from dominating the board’s decision taking</li><li>○ The board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation</li><li>○ Appropriate board committees may be set up to assist the board in the effective performance of its duties</li></ul>	Pr 2
<b>Director Appointment Procedures</b> <ul style="list-style-type: none"><li>○ There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors</li><li>○ The search for board candidates should be conducted, and appointments made, on merit, against objective criteria (to include skills, knowledge, experience, and independence and with due regard for the benefits of diversity on the board, including gender)</li><li>○ The board should ensure that a formal, rigorous and transparent procedure be in place for planning the succession of all key officeholders</li></ul>	Pr 3

# KASA GROUP LTD

(“the Company”)

## ANNEX A LEGAL DUTIES OF DIRECTORS

<b>Director Duties, Remuneration and Performance</b> <ul style="list-style-type: none"><li>○ Directors should be aware of their legal duties</li><li>○ Directors should observe and foster high ethical standards and a strong ethical culture in their organisation</li><li>○ Conflicts of interest should be disclosed and managed</li><li>○ The board is responsible for the governance of the organisation’s information, information technology and information security</li><li>○ The board, committees and individual directors should be supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards</li><li>○ The board, committees and individual directors should have their performance evaluated and be held accountable to appropriate stakeholders</li><li>○ The board should be transparent, fair and consistent in determining the remuneration policy for directors and senior executives</li></ul>	Pr 4
<b>Risk Governance and Internal Control</b> <ul style="list-style-type: none"><li>○ The board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management</li><li>○ The board should ensure the maintenance of a sound internal control system</li></ul>	Pr 5
<b>Reporting with Integrity</b> <ul style="list-style-type: none"><li>○ The board should present a fair, balanced and understandable assessment of the organisation’s financial, environmental, social and governance position, performance and outlook in its annual report and on its website</li></ul>	Pr 6
<b>Audit</b> <ul style="list-style-type: none"><li>○ Organisations should consider having an effective and independent internal audit function that has the respect, confidence and co-operation of both the board and the management. The board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation’s auditors</li></ul>	Pr 7
<b>Relations with Shareholders and Other Key Stakeholders</b> <ul style="list-style-type: none"><li>○ The board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders.</li><li>○ The board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose.</li></ul>	Pr 8

### THE FINANCIAL INTELLIGENCE AND ANTI MONEY LAUNDERING ACT 2002 (FIAMLA)

Directors are to be aware of their responsibilities to ensure that an adequate framework is put in place to prevent risk of laundering money from criminal activities.

# KASA GROUP LTD

(“the Company”)

## ANNEX B DEFINITION OF INDEPENDENT DIRECTOR

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Criteria to qualify as an Independent Non-Executive Director of KASA GROUP LTD and subsidiaries pursuant the Companies Act 2001 as amended and to guidelines of the National Code of Corporate Governance 2016

1. The Director has not been an employee of the Company or Group within the past three years.
2. The Director has not had within the past three years, material business relationship with the Company either directly or indirectly or as a partner, shareholder, Director or senior employee of a body that has such relationship with the Company or Group.
3. The Director has not received additional remuneration from the Company except remuneration or any other benefit given to him as a Director in accordance with section 159 of the Companies Act 2001.
4. The Director is not a nominated Director representing a substantial shareholder.
5. The Director has no close family ties with any of the Company or Group advisers, Directors or senior employees of the company.
6. The Director has no cross directorships or significant links with other Directors through involvement in other companies or other organisations (see Note 1 below).
7. The Director has not served for more than nine continuous years from the date of his/her first election.

***Note 1: The Board has considered that Directors holding more than three cross directorships (excluding wholly owned subsidiaries) will be considered as non-independent.***

# KASA GROUP LTD

*("the Company")*

## ANNEX C APPOINTMENT OF DIRECTORS POLICY

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### Purpose of Policy

The purpose of this policy regarding Appointment of Directors is to describe the process by which candidates are identified and selected for election as member of the Board of Directors of KASA GROUP LTD and the process by which Directors are proposed for re-election.

### Board Composition

The minimum number of Directors is **FOUR (4)** and the maximum is **TEN (10)**.

In accordance with the Companies Act 2001 and the Board Charter, the Board shall be composed of:

- Not less than **ONE (1)** Independent Non-Executive Director.
- At least **ONE (1)** man and **ONE (1)** woman.

### Process for Appointment of Directors

Directors may be appointed by:

- Shareholders' ordinary resolution.
- Directors' resolution to fill a casual vacancy until the forthcoming annual meeting of shareholders.

### Nomination Process

The Company's nomination process for new Board candidates is as follows:

- The Chairperson of the Board identifies a need to add a new Board member who meets the set criteria of Board composition, or to fill a vacancy on the Board; and define the profile and competency required.
- One or multiple candidates coming from the sources identified below and having the appropriate profile is submitted to the approval of the Board.
- Assessment will cover candidates' background, skills, experience against agreed profile; conflicts of interest or independence issues checks and number of directorships.
- The Chairperson of the Board and the MD will discuss with the top candidate/s.
- Due diligence exercise is to be carried on the candidates shortlisted (track records, references, verification checks) if need be.
- They approve the final candidate for recommendation to the Board and/or shareholders.

Due to the shareholding structure, Executive and Non-Executive Directors are appointed until otherwise resolved by the Shareholders of the Company. Independent Directors are appointed for a maximum tenure of nine years unless otherwise resolved by the shareholders of the Company before the end of the nine-year period.

- Board may conduct Performance review of individual Directors as and when deemed necessary.

# KASA GROUP LTD

*("the Company")*

## ANNEX C APPOINTMENT OF DIRECTORS POLICY

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### Qualification Criteria

**When evaluating new candidates for election, the following criteria will be considered:**

- The candidate must fit within the Board size, composition and balance of skills, experience and expertise previously set by the Board to meet the requirements of the business.
- The candidate's reputation, business and personal ethics and integrity, independence of thought and judgement.
- The candidate's skills and business, personal and professional accomplishments, private sector or sectorial knowledge.
- The candidate's experience, bearing in mind the specialised market in which the Company is operating.

**When evaluating existing Directors, the following criteria will be considered:**

- Participation in Board activities, including Board Committees, and active participation in meetings of the Board and its Committees, of which he or she is a member.
- Attendance and time commitment to Board and Committee meetings and matters.
- Commitment in increasing shareholders' value.
- Awareness of his/her legal duties.
- Level of compliance with the Code of Corporate Governance and the policies.
- Outcome of Directors' self-assessment (if any).

# KASA GROUP LTD

*("the Company")*

## ANNEX D POSITION STATEMENT OF THE CHAIRPERSON

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The Chairperson is responsible for the direction of the Board and plays a critical and pivot role in creating the conditions necessary for the overall effectiveness of the Board and individual Directors, both inside and outside the boardroom.

The Chairperson is expected:

- To promote and oversee the highest standards of corporate governance within the Board and the Company.
- To chair Board and Shareholders' meetings.
- To lead the Board and in particular the discussions on all the proposals made by the executive/management team.
- To set an agenda for the Board, which is:
  - Focused on strategic issues;
  - Forward looking;
  - Evaluates and supervises current business.
- To maintain a proper process to ensure compliance with Board policy on matters reserved to Board review.
- To ensure that Board members receive accurate, timely and clear information to enable them to monitor performance, make informed decisions and give appropriate advice to promote the success of the Company.
- To manage Board meetings in a way that allows sufficient time for the discussion of complex or contentious issues and that all members' contributions are encouraged and valued.
- To ensure that Board decisions are executed.
- To maintain an efficient and balanced team, initiate change and plan the succession of non-executive Directors.
- To encourage the active engagement of all Board members during meetings of the Board.
- To ensure that Board Committees are properly structured with appropriate terms of reference.
- To create the conditions for the overall effectiveness of the Board and individual Directors, including the promotion of an appropriate induction programme for new Directors, creating the opportunity to maintain the relevant skills and knowledge required to fulfil the Director role on the Board and its Committees and by ensuring the Board carries out an annual assessment of its own performance, that of its Committees and that of each Director, including the Chairperson.
- To lead the process of identifying suitable successors for the Board, the Managing Director (MD) and key senior management appointments.
- To ensure that he/ she is fully informed of all matters on which the Board will need to make a decision through briefings with the MD and the Company Secretary as appropriate.
- To take the lead in identifying and meeting the development needs of each Director and to address the development needs of the Board as a whole with a view to improving its overall effectiveness as a team.
- To promote effective relationships and open communication between Executive and Non-Executive Directors both inside and outside the boardroom.
- To be a sounding board and mentor for the MD and to build a close relationship of trust with the MD and senior managers, providing support and advice while respecting executive/management responsibilities.
- To ensure an appropriate balance is maintained between the interests of shareholders and other stakeholders.
- To ensure effective communication with Shareholders and ensure that Board members understand the views of Shareholders.
- To build and maintain stakeholder confidence in the Company and in conjunction with the MD, represent the Company to key stakeholders.

# **KASA GROUP LTD**

*(“the Company”)*

## **ANNEX E**

### **POSITION STATEMENT OF THE MANAGING DIRECTOR (‘MD’)**

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The MD is responsible for the day-to-day management of the Company, in line with the strategy and long-term objectives approved by the Board.

The MD may take decisions on all matters affecting the operations, performance and strategy of the Company's activities, with the exception of those reserved for the Board or specifically delegated by the Board to its Committees, executive Committees or boards of subsidiaries.

The MD:

- Has full power to lead and manage business operations.
- Proposes, implements and reports on the strategic direction of the Company / Group as well as particular divisional and business strategies and initiatives.
- Presents annually to the Board updates of the annual operating plans; once adopted, he/she is responsible for their implementation and delivery and reports on progress at frequent and regular intervals.
- Ensures that all members of the key executives report to him/her directly or indirectly. He/she is responsible for appraising the performance of each member of the team, promoting their development and improvement through further training, if necessary, replacing them, and recruiting replacements, whether internal or external.
- Recommends a remuneration policy for senior executives to the Board.
- Represents the Company (as does the Chairman) to all external audiences both in Mauritius and overseas.
- Takes primary responsibility for maintaining and developing the Company's reputation and relationships with the media, regulators, governments, local communities, suppliers, customers, trade bodies and other stakeholders.
- Liaises on a continuous and regular basis with the Chairman of the Board on operational and strategic issues.

# KASA GROUP LTD

*("the Company")*

## ANNEX F

### POSITION STATEMENT OF THE COMPANY SECRETARY

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The Company Secretary is responsible for:

- i. Ensuring that the organisation complies with its constitution and relevant statutory and regulatory requirements, codes of ethics and rules established by the Board;
- ii. Providing detailed guidance to the Board as a whole and to Directors individually on how their responsibilities should be properly exercised in the best interests of the organisation;
- iii. Developing the agenda for Board and Board Committee meetings in consultation with the Chairperson and MD;
- iv. Supervising in good time agendas in circulation and all supporting documents;
- v. Checking that the quorum for meetings is present;
- vi. Writing the minutes of Board meetings and circulating the draft minutes to all members within a reasonable time;
- vii. Ensuring the regularity of meetings and deliberations/ resolutions of the Board and their adoption in accordance with the Company's Articles of Constitution;
- viii. Ensuring the smooth and proper running of the procedure for appointing Directors;
- ix. Assisting in the proper induction/integration of Directors.

The Company Secretary needs to:

- i. Communicate with shareholders, where appropriate, and ensure that due regard is paid to their interests;
- ii. Act as a primary point of contact (often via the share registrar) for all shareholders and proxy voting / corporate governance advisers; and
- iii. Play a role in improving engagement and constructive dialogue between shareholders and the Company.

The appointment, remuneration and removal of the Company Secretary shall be the responsibility of the Board as a whole. The Board must ensure that the appointee is fit and proper and has the requisite attributes, experience and qualification to properly discharge his/her duties.

The Company Secretary should report to the Chairperson on all governance matters of the Board. This does not preclude the Company Secretary also reporting to the MD in relation to his or her other executive management responsibilities.

The Chairperson and the Company Secretary should periodically review whether the Board and the Company's other governance processes, for example the evaluation of the Board and Committees, are fit for purpose, and consider any improvements or initiatives that could strengthen governance of the Company.