

# **PHOENIX BEVERAGES LIMITED**

(the "Company" or "PBL")

## **CHARTER OF THE CORPORATE GOVERNANCE**

### **COMMITTEE**

(the "Charter")

# **Corporate Governance Committee**

## **(the "Committee")**

### **PURPOSE**

To assist the Board of Directors in fulfilling its responsibilities to apply the principles of good corporate governance and to ensure that prevailing corporate governance practices are followed. To review the structure, size and composition of Board and to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company. To clarify the mandate attributable to the Committee in relation to the holding companies of Phoenix Beverages Limited, namely Phoenix Investment Company Limited ("PICL") and Camp Investment Company Limited ("CICL").

### **1 Membership**

- 1.1** The Committee shall comprise at least three (3) Directors. A majority of the members of the Committee shall be non-executive Directors.
- 1.2** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the CEO (in the even he is not a member), the head of human resource or any other executive and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3** Appointments to the Committee are made by the Board of PBL.
- 1.4** The Board shall appoint the Committee Chairperson who should be an independent non-executive Director. In the absence of the Committee Chairperson, the remaining members present shall elect one (1) of themselves to chair the meeting. The Chairperson of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairpersonship.

### **2 Secretary**

- 2.1** The Company Secretary or its nominee shall act as the Secretary of the Committee.

### **3 Quorum**

- 3.1** The quorum necessary for the transaction of business shall be two (2) members present throughout the meeting who shall vote on the matter for decision.

### **4 Frequency of meetings**

- 4.1** The Committee shall meet at least twice a year.

### **5 Notice of meetings**

- 5.1** Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairperson.
- 5.2** Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee or any other person required to attend no later than four (4) working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

#### **Minutes of meetings**

- 6.1** The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2** Draft minutes of Committee meetings shall be circulated as promptly as possible to the Chairperson of the Committee for validation and to all members of the Committee thereafter, usually within a maximum of three (3) weeks following the meeting, unless exceptional circumstances prevent so.

## **7 Annual Meeting & Communication with stakeholders**

- 7.1** The Committee Chairperson should attend the annual meeting to answer any shareholder questions on the Committee's activities or concerning the appointment of executive and non-executive Directors and maintain contact as required with the Company's principal shareholders and stakeholders about the appointment of executive and non-executive Directors.

## **8 Duties**

The Committee should carry out the duties below for the Company, its subsidiaries as well as PICL and CICL, as appropriate.

- 8.1** In its role in ensuring good corporate governance, the Committee shall:

- 8.1.1** Determine, agree and develop the Company's and Group's general policy on corporate governance in accordance with the recommendations of The National Code of Corporate Governance for Mauritius (the "Code").
- 8.1.2** 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.
- 8.1.3** Prepare and review the corporate governance report to be included in the annual report.
- 8.1.4** Monitor the implementation of the Company's Code of ethics.
- 8.1.5** Review any statements on business conduct and ethical standards or requirements for the Company and assisting in developing such standards and requirements.
- 8.1.6** Ensure compliance with the requirements of the Constitution, laws and regulations of any other applicable statute and of controlling bodies.
- 8.1.7** Identify any violations of ethical conduct.
- 8.1.8** Give recommendations on any potential conflict of interest or questionable situations of a material nature.

- 8.2** The Committee shall, in its role as Nomination Committee:

- 8.2.1** Review and oversee the appointment procedures of the Directors of the holding companies Camp Investment Company Limited and Phoenix Investment Company Limited for recommendation to their respective Boards of Directors.
- 8.2.2** Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes.
- 8.2.3** Give full consideration to succession planning for Directors in the course of its work, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future.
- 8.2.4** Keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace.

- 8.2.5** Keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates.
  - 8.2.6** Be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise.
  - 8.2.7** Before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:
    - 8.2.7.1** Use open advertising or the services of external advisers to facilitate the search if deemed necessary;
    - 8.2.7.2** Consider candidates from a wide range of backgrounds; and
    - 8.2.7.3** Consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.
  - 8.2.8** Prior to the appointment of a Director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest.
  - 8.2.9** Ensure that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings.
  - 8.2.10** Organise performance evaluation of the Board as often as deemed necessary, and, in any case, at least every three (3) years.
  - 8.2.11** Review the results of the Board performance evaluation process that relate to the composition of the Board.
  - 8.2.12** Review as frequently as necessary the time required from non-executive Directors. Performance evaluation should be used to assess whether the non-executive Directors are spending enough time to fulfil their duties.
  - 8.2.13** Work and liaise as necessary with any other Board committee.
- 8.3** In its role as Remuneration Committee for non-executive Directors, the Committee shall:
- 8.3.1** Have responsibility for setting the remuneration policy for all non-executive Directors and the Company's Chairperson and recommend and monitor the level and structure of remuneration for non-executive Directors.
  - 8.3.2** Take into account all factors which it deems necessary including relevant legal and regulatory requirements, the principles of the Code and associated guidance. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long strategic term goals.
  - 8.3.3** Review and have regard to the market practices conditions across the relevant industries or Group when setting remuneration policy for non-executive Directors.
  - 8.3.4** Review the on-going appropriateness and relevance of the remuneration policy.
  - 8.3.5** Within the terms of the agreed policy and in consultation with the Chairperson and/or the CEO, as appropriate, determine the total individual remuneration package of the non-executive board members.
  - 8.3.6** Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company but within any budgetary restraints imposed by the Board.

- 8.3.7** Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 8.3.8** Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 8.3.9** Agree the policy for authorising claims for expenses from the Directors.
- 8.3.10** Work and liaise as necessary with all other Board committees.

**8.4** The Committee shall also make recommendations to the Board concerning:

- 8.4.1** Formulating plans for succession for non-executive Directors and in particular for the Chairperson.
- 8.4.2** Membership of any other Board committees as appropriate, in consultation with the Chairperson of those committees.
- 8.4.3** The re-election by shareholders of Directors or the retirement by rotation provisions in the Company's Constitution, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board.
- 8.4.4** Any matters relating to the continuation in office of any Director at any time subject to the provisions of the law and their contract.

## **9 Reporting responsibilities**

- 9.1** The Committee Chairperson shall report on the Board on its proceedings after meetings on matters within its duties and responsibilities.
- 9.2** The Committee shall make whatever recommendations it deems appropriate to the Board on any area within its remit where action or improvement is needed.
- 9.3** The Committee shall produce a report to be included in the annual report about its activities. Where an external search agency has been used in the process to make appointments, it might be identified in the annual report and a statement made as to whether it has any connection with the Company.
- 9.4** The Committee shall ensure that provisions regarding disclosure of information are fulfilled. If the Committee has appointed remuneration consultants, the Company's remuneration policy would identify such consultants and state whether they have any other connection with the Company.
- 9.5** Through the Chairperson of the Board, ensure that the Company maintains contact as required with its shareholders and other stakeholders about remuneration.

## **10 Remuneration**

- 10.1** 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, members of the Committee and its Chairperson may be paid such special remuneration in respect of their appointment as shall be fixed by the Board. Such special remuneration shall be in addition to the annual fees payable to Directors.

## **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 secretariat for assistance as required.
- 11.2** Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

**11.3** Give due consideration to laws and regulations, the principles of the Code and any other applicable rules, as appropriate.

**11.4** Arrange for reviews of its own performance as often as deemed necessary, and at least every three years, and review its Charter as required to ensure it is operating at maximum 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.

## **13 Interpretation**

**13.1** In case of uncertainty or difference of opinion on how a provision of this Charter should be interpreted, the opinion of the Board shall be decisive.

Adopted by the Board of Directors this 5 September 2018.