

CIEL LIMITED

BOARD CHARTER

HISTORY

CIEL Limited ("CIEL" or the "Company") is a public company limited by shares, listed on the Official List of the Stock Exchange of Mauritius since 4 February 2014, which company registration is 717 (BRN C06000717) and having its registered office at 5th floor, Ebène Skies, Rue de l'Institut, Ebène, Mauritius. The Company was previously known as Deep River Investment Ltd ("DRI") but was renamed following the amalgamation of CIEL Investment Ltd ("CIL") with and into DRI. The Company is an investment holding company operating in six different clusters, namely Textile, Agro, Property, Hotels & Resorts, Finance and Healthcare.

CIEL is registered as a 'Reporting Issuer' with the Financial Services Commission ("FSC") since the promulgation of the Securities Act 2005.

The stated share capital of the Company is divided into Ordinary Shares of no-par value (including treasury shares) and Redeemable Restricted A Shares ("RRAS"). RRAS are not listed on the official market of the Stock Exchange of Mauritius Ltd ("SEM").

As at date, the substantial shareholder of the RRAS of the Company is Deep River Limited ("DRL"), a holding company of CIEL, as it holds 98.66% of the said shares.

The majority shareholder of DRL is Deep River Holding Limited ("DRHL"), being the family holding of the CIEL group.

At least 25% of the shareholding of CIEL is in the hands of not less than 200 members of the public, which complies with the Listing Rules of the SEM.



1. PURPOSE OF THE BOARD CHARTER

- 1.1.** The purpose of CIEL Board Charter is to define the composition and the role of the Board of Directors of the Company (the "Board") and the general duties of its Directors.
- 1.2.** The Board is responsible for directing the affairs of the Company in the best interests of its shareholders and in conformity with the applicable legal and regulatory framework, the Constitution of CIEL and best governance practice.

2. THE BOARD

2.1. Board size

The Constitution of CIEL provides that the Board shall consist of not less than eight (8) or more than sixteen (16) Directors.

2.2. Composition of the Board

The Board shall use its best efforts to ensure that its composition not only reflects diversity but also includes directors who demonstrate strong independence of character and judgment in the discharge of their responsibilities. Given the nature, complexity and breadth of the Company, the Board aims to maintain a combination of Executive Directors, Independent Directors, and Non-Independent Non-Executive Directors, bringing varied knowledge, expertise, and industry experience, and shall include at least two (2) Executive Directors and two (2) Independent Directors among its members.

2.3. Board meetings

The Board has four (4) scheduled meetings each year and meets at least every quarter. A Director must do his utmost to be physically present to all Board Meetings during the year and otherwise attend the meeting by phone or teleconference.

2.4. Quorum

The quorum for a meeting of the Board is as follows:

- Five (5) Directors when the Board shall consist of eight to twelve (8-12) members;
- Seven (7) Directors when the Board shall consist of thirteen to fifteen (13-15) members; and
- Eight (8) Directors when the Board shall consist of sixteen (16) members.

2.5. The Company Secretary

The Company Secretary assists the Board. All members may go to the Company Secretary for advice or to use his or her services.

The Company Secretary sees to it that the Board follows correct procedures and that the Board complies with its obligations under law and the Company's Constitution.

The Company Secretary shall assist the Chairperson of the Board in organizing the Board's activities (including providing information, preparing an agenda, reporting of meetings, evaluations and training programs).

The Company Secretary shall provide the Board with relevant extracts of the Companies Act 2001 and any other relevant legislations pertaining to the Duties of the Directors, as amended from time to time.

3. BOARD COMMITTEES

3.1. The Board has delegated certain responsibilities to board committees to assist it in discharging its duties through a more comprehensive evaluation of specific issues in line with the activities of the Company. The Board remains collectively responsible for the decisions and actions taken by any committee.

3.2. The Board must determine and approve the composition and the committees' terms of reference ("TOR") which shall be formally laid down and published in the Company's annual report. The composition and the TOR as regards each committee shall be reviewed every two years or earlier if warranted by the Board.

3.3. As to date and to facilitate effective management, the Board of the Company has delegated clearly defined responsibilities to three (3) specialised committees:

(a) The Corporate Governance, Ethics, Nomination & Remuneration Committee

The Corporate Governance, Ethics, Nomination & Remuneration Committee (“CGNRC”) makes recommendations to the Board on (i) all corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate governance principles; (ii) all the essential components of remuneration; and (iii) all new Board and senior executive nominations.

The CGNRC will consist of at least three (3) members who are appointed by the Board.

The Chairperson of the Board and the Executive Directors are also invited to attend the meetings, as and when necessary.

(b) The Audit & Risk Committee

This Audit & Risk Committee (“ARC”) has the responsibility to (i) monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company’s financial performance, before submission to the Board; (ii) review the Company’s internal controls and risk management systems; (iii) oversee the process for selecting the external auditor, assess its independence and approve the audit fees; and (iv) monitor and supervise the effective function of the internal audit.

The ARC will consist of at least three (3) members who are appointed by the Board.

The Executive Directors are also invited to attend the meetings.

(c) The Investment Committee

The Investment Committee (“IC”) makes recommendations to the Board on investment and divestment propositions as put forward by management from time to time. The consideration will have regard to the Company's overall investment strategy framework and objectives. The IC will discuss and recommend to the Board all strategic investments or divestments to be made by the Company and transactions involving more than 1 % of the Group net asset value.

The IC will consist of a minimum of five (5) and a maximum of eight (8) Non-Executive members who are appointed by the Board. The Chairperson of the IC will have a casting vote in case of equality of votes.

The Chairperson of the Board and the Executive Directors if not members of the committee, are also invited to attend the meetings.

- 3.4.** These committees make recommendations that are submitted to the Board for approval.
- 3.5.** There shall be transparency and full and effective disclosure from the board committees to the Board.
- 3.6.** A copy of each TOR is available with the Company Secretary and will be made available on the Company's website.

4. CHAIRPERSON

- 4.1.** The Board shall elect the Chairperson from among its members, provided that s/he shall not be older than seventy-five (75) years old.
- 4.2.** The Board may appoint a Vice-Chairperson among its members, who shall replace and assume the powers and duties of the Chairperson when the latter is absent; the Vice-Chairperson may also support the Chairperson on specific assignments or governance responsibilities, as delegated to him or her.
- 4.3.** The Chairperson shall hold office for a period of five (5) years and may, at term of his office, be re-elected by the Board for a further period of five (5) years or such other term as may be determined by the simple majority of the Board.

- 4.4.** The Chairperson is responsible for leadership of the Board and ensuring its effectiveness on all aspects of its role. He ensures that the corporate strategy of the Company and the related execution are aligned together with operational efficiencies.
- 4.5.** He will be responsible to ensure sufficient information is being provided to each Board member to allow him/her to play fully his/her role not only as a Director.
- 4.6.** The Chairperson shall have no casting vote as per clause 23.5 of the Constitution of the Company.
- 4.7.** In case the Chairperson is unable to attend a Board meeting, the Vice-Chairperson shall preside the said Board meeting. If both are absent, the Directors present shall choose one of their number to be Chairperson during the said Board meeting.
- 4.8.** Responsibilities at the top of the Company have been divided between the Board and the Executive Directors of CIEL, giving adequate segregation of powers between the Chairperson and the management of the Company.

5. OTHER CATEGORIES OF DIRECTORS

- 5.1.** Executive Directors – They are directors involved in the day-to-day management of the Company.
- 5.2.** Non-Executive Directors – They are directors not involved in the day-to-day management; they play a full role in constructively challenging and developing strategic proposals, as well as chairing and being members of Board committees.
- 5.3.** Independent Directors – They are free from any business or other relationship which could materially interfere with the exercise of their independent judgment. They play a crucial role of bringing objectivity to the decisions made by the Board by playing a supervisory role.

6. TERMS OF OFFICE OF DIRECTORS

6.1. Election

Directors shall be elected on a regular basis at the annual meeting of shareholders. Any proposed appointment (or removal) of a Director shall be effected by notice in writing to the Board signed by or on behalf of the shareholder appointing or removing such Director.

6.2. Qualifications

All Directors shall be individuals of integrity who bring a blend of knowledge, skills, objectivity, experience and commitment to the Board. CIEL's Directors meet that recommendation and are able to effectively understand and manage the issues arising in the Company's business, review and challenge the performance of management and optimize the Company's performance.

A Director shall be a natural person of not less than eighteen (18) years old. As from seventy (70) years old, a Director may be appointed or re-appointed subject to Section 138 (6) of the Companies Act 2001.

6.3. Disqualifications

A Director shall not have any convictions for any crimes involving dishonesty, fraud or breach of trust and shall not be prohibited from being a Director under Sections 337 or 338 of the Companies Act 2001.

6.4. Office

As per Clause 21.3 of the Company's Constitution, every Director of the Company shall hold office until his/her resignation, disqualification or removal

6.5. Re-election

Before recommending a member of the Board for re-election, the Board must carefully consider his or her past performance on the Board.

6.6. Alternate Director

A Director may appoint an alternate Director to represent him/her when he/she is unable to attend a Board meeting on an occasional basis. This nomination will be subject to the approval of the Board by simple majority and most of the meetings shall be attended in priority by the Director himself. The Board member shall ensure that his/her alternate is fully aware of the present Board Charter.

6.7. Compliance

A copy of the present Board Charter will be provided to each Board member upon his appointment and the said member shall adhere to the said Board Charter by acknowledging receipt and signing a copy thereof and shall in doing so undertake to comply with same. A signed copy will be retained by the Company Secretary for record.

7. GENERAL DUTIES OF DIRECTORS

7.1. The Directors shall comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors. Broadly, these include:

- (a) acting in good faith, with honesty and integrity and in the best interest of the Company;
- (b) ensuring that they have the time to devote to diligently carry out their responsibilities and duties to the Company;
- (c) acting with care and diligence and for proper purpose;
- (d) avoiding conflicts of interest at all times and disclosing any actual or potential conflicts of interest which may exist or be thought to exist as soon as the Director becomes aware of the issue;
- (e) refraining from disclosing to unauthorized persons or making improper use of information gained through the position of Director and from taking improper advantage of the position of Director;
- (f) discharging diligently their duties and obligations to the Company;
- (g) observing and fostering high ethical standards and a strong ethical culture in their organization ;
- (h) with the committees' assistance, preparing and presenting the financial statements in accordance with International Financial Reporting Standards and in compliance with the Companies Act 2001;



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- (i) notifying the Company of any direct and indirect interests in the shares of the Company, interests in any transactions, potential and existing conflicts of interests and share dealings; and
- (j) complying with the Securities Act 2005, the relevant FSC Rules, the requirements of the listing rules and other relevant legislations.

7.2. The Directors attention is drawn in particular to Section 143 of the Companies Act 2001 and to Article 22.3 of the Constitution of the Company which specify the duties of the Directors.

7.3. Directors of a public and listed company have additional duties as regards their 'interests' in the Company's affairs, and their attention is also drawn to Sections 147, 148, 153(2), 154, 156, 161(7) and 221(2) of the Companies Act 2001, to Rules 10 to 12 of the Appendix 6 of the Listing Rules and to Sections 90, 91 and 111 of the Securities Act 2005. A memorandum will be circulated to the Directors for this specific purpose.

7.4. When acting in his/her capacity of Director, the latter shall be entitled to take into account the interests of shareholders he/she is representing but should always act in the best interests of the Company.

7.5. Representation on boards of CIEL's subsidiaries

When discharging his/her obligations as Director of a subsidiary of CIEL, the Director will act in the best interest of that company. However, that Director will also be entitled (if so permitted by the constitution of that subsidiary) to act in a manner which he/she believes is in the best interests of CIEL even though it may not be in the best interests of that company and this as per the provisions of Section 143 (2) and (3) of the Companies Act 2001.

8. BOARD ACCOUNTABILITIES AND RESPONSIBILITIES

In discharging its duties, the Board has the following main overall responsibilities:

- (a) management, direction and performance of the Company, and lead and control the Company's business;
- (b) be responsible for the performance and affairs of the Company;
- (c) ensure that the Company complies with all relevant laws, regulations and codes of best business practice;
- (d) build a sustainable business through consistent, profitable growth whilst safeguarding the interest of the shareholders and wider stakeholders;
- (e) determine strategies to enhance shareholder value in the long term whilst taking into account the interest of the shareholders;
- (f) approve the Company's and the group's annual budget;
- (g) approve the audited and unaudited quarterly financial statements;
- (h) approve the annual report;
- (i) ensure that the Board communicates with shareholders and relevant stakeholders openly and promptly with substance prevailing over form;
- (j) through authorities delegated to its committees, direct and review the investments and operations within an agreed framework of controls, allowing risk to be assessed and managed within agreed parameters;
- (k) direct the commercial and economic well-being of the Company by properly balancing the level of risk with expected returns;
- (l) be responsible for risk governance and ensure that the Company develops and executes a comprehensive and robust system of risk management; and ensure the maintenance of a sound internal control system;
- (m) contribute fully in developing and sustaining the CIEL group enterprise culture;
- (n) approve capital requirements of the Company;
- (o) exercise leadership, enterprise, intellectual honesty, integrity and judgment in directing the Company so as to achieve reasonable prosperity for the Company and the CIEL group;
- (p) monitor and review the capital and solvency positions of the Company;
- (q) ensure that the Company satisfies the solvency test for each declaration of dividend;
- (r) present a fair, balanced and understandable assessment of the Company's financial, environmental, social and governance position, performance and outlook in its annual report;
- (s) nominate the representatives of the Company to represent the latter on subsidiaries' boards;



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- (t) establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the Company's auditor;
- (u) determine the remuneration of the Directors;
- (v) approve policies dealing with Directors' liabilities, indemnities and insurance if any; and
- (w) ensure that the conflicts of interest issues are dealt by the Board members as per all relevant laws, regulations and codes of best business practice.

9. ETHICAL STANDARDS AND GOOD CORPORATE GOVERNANCE

- 9.1.** The Board and all Directors are expected to comply with the ruling of the applicable Code of Corporate Governance in Mauritius (the "Code"). The Board fully supports the principles of good corporate governance contained in the Code, and is committed to the improvement and development of appropriate structures, processes and procedures throughout the group in support of these principles.
- 9.2.** When the "Corporate Governance Code for Mauritius (2016)" shall be enforceable as from the reporting year (financial period) ending 30 June 2017, a new philosophy will be applied, which is the "Apply-and-Explain". CIEL, as a public interest entity, will be required to report on corporate governance and to explain in its annual report how these principles have been applied. Where material deviation from any guidance contained within the Code occurs, the annual report should also provide an explanation.
- 9.3.** All Directors are expected to behave ethically and professionally at all times and to observe the highest standards of corporate governance, hence protecting and promoting the reputation, performance and core values of the Company and its subsidiaries.
- 9.4.** The Board of the Company commits itself to act with integrity and honesty. In that respect and as a matter of Board policy, Directors are expected to conduct themselves with the highest ethical standards.
- 9.5.** A Code of Ethics has been developed for the Company, and all Directors and officers will need to comply thereto. The Directors will need to ensure that the values and principles incorporated in the Code of Ethics be disseminated in the group.

10. SUSTAINABILITY ACCOUNTABILITIES

10.1. All Directors are expected to foster the implementation of the Environmental and Social policy and procedures established at CIEL Group level.

10.2. In that respect, all Directors are expected to apply, maintain and ensure allegiance to CIEL's Corporate Sustainability Policy, which has been adopted on the 13 February 2015 and consists of five pillars as follows: Business Ethics; Human rights and Labour Practices; Environmental Responsibility; Sustainable Design, Planning & Procurement and Stakeholders Satisfaction & Engagement.

11. REVIEW AND AMENDMENT OF THE PRESENT BOARD CHARTER

The Board may at any times review and amend the present Board Charter by a simple majority decision of its members.

Updated Version of the Board Charter approved by the Board on the 28 June 2024.