



Terms of Reference of the
Corporate Governance, Ethics, Nomination
& Remuneration Committee of Sun Limited

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Glossary

Committee/CGENR C	Corporate Governance, Ethics, Nomination & Remuneration Committee
Board	Board of Directors of Sun Limited
SUN or Company	Sun Limited
Group	SUN and its subsidiaries
Code	National Code on Corporate Governance for Mauritius (2016)
Company Secretary or Secretary	As defined in clause 2

1. Membership

- 1.1 The Committee shall comprise of at least 3 directors appointed by the Board.
- 1.2 The Board shall appoint the Chairman of the Committee.
- 1.3 The Committee shall be composed of a majority of non-executive directors.
- 1.4 The Chairman of the Board shall not be the Chairman of the Committee but can be one of its member.

2. Secretary

CIEL Corporate Services Ltd shall act as the Company Secretary of the Committee and will ensure that the members receive information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Quorum

The quorum necessary for the transaction of business shall be three members.

4. Meetings

- 4.1 The Committee shall meet at least once a year and, otherwise, as required.
- 4.2 Meetings of the Committee shall be called by the Company Secretary at the request of the Chairman.
- 4.3 The notice of each meeting, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Committee not less than four working days prior to the date of the meeting.
- 4.4 The Committee may invite the Executive Directors to attend Committee meetings.
- 4.5 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 4.6 Approved minutes may be circulated to all other members of the Board, unless it is of the opinion of the Committee that it would be inappropriate to do so.

5. Duties

5.1 Governance

The Committee shall determine, agree and develop the design of its corporate governance arrangements in line with recommendations of the Code. These include but are not limited to the following:

- 5.1.1 Determine, agree and develop the Company's general policies and strategies on corporate governance in line with recommendations of the Code.

- 5.1.2 Ensure that disclosures on corporate governance, whether in the financial statements or on an ongoing basis, are made in accordance with the principles of the Code.
- 5.1.3 Review the corporate governance report to be published together with the financial statements.

5.2 Ethics & Business Conduct

The Committee shall:

- 5.2.1 Monitor the implementation of the Group's Code of Conduct and set the tone for its implementation by management.
- 5.2.2 Review any statements on business conduct and ethical standards or requirements for the Company and assisting in the development of such standards and requirements.
- 5.2.3 Monitor the implementation and running of the whistleblowing mechanism, as defined in the Code of Conduct.
- 5.2.4 Oversee the conduct of a Board effectiveness assessment exercise at least once every 2 years.
- 5.2.5 Review the results of Board effectiveness assessment exercise, and, with the assistance of the company secretary outline the significant actions to be implemented as a result of the said assessments.
- 5.2.6 Monitor satisfactory and timely implementation of the significant actions referred to under 5.2.5.
- 5.2.7 Review the outcome of employee engagement surveys carried out for the Group and report key findings and recommended actions to the Board of SUN.

5.3 Nomination

The Committee shall:

At Board level

- 5.3.1 Regularly review the structure, size and composition of the Board and its committees (including skills, knowledge, experience and diversity) and make recommendations to the Board with regard to any changes.
- 5.3.2 Ensure that the right balance of skills, expertise, gender and independence is maintained on the Board.
- 5.3.3 Identify and nominate candidates for recommendation to the Board and the approval of the Shareholders, to fill Board vacancies as and when they arise.
- 5.3.4 Ascertain that potential new directors are fit and proper and are not disqualified from being directors prior to recommending their nomination to the Board and the shareholders. In this

respect, the Committee will at a minimum be looking at the following, over and above the required skills, knowledge and experience:

- a. whether the candidate is free from material conflicts of interest for instance through positions which he or she holds or has held in the past three years (including memberships on any Board or management governing bodies/executive committees);
- b. whether the candidate has been convicted for any crimes involving dishonesty, fraud or breach of trust;
- c. whether the candidate is, in accordance with the law, the candidate, disqualified from being appointed as a director;
- d. whether the candidate would have sufficient time to devote to the proposed directorship, given the latter's current positions (including memberships on any Board or management governing bodies/executive committees); and
- e. Any other information relevant to assess the candidate's suitability as a member of the Board.

5.3.5 Make recommendations to the Board and the shareholders on the proposed re-election of directors, taking into account their past performance on the Board.

5.3.6 Make recommendations to the Board for the continuation (or not) in services of any director who has reached the age of 70, taking into account their past performance on the Board.

5.3.7 Identify and recommend the nomination of the Company's representatives on the Boards of subsidiaries.

5.3.8 Devise, for recommendation to the Board, a succession plan for directors taking into account the challenges and opportunities facing the Company, and the skills and expertise needed.

At Senior Management Level

5.3.9 Oversee, for recommendation to the Board, a succession plan for the key executives of the Group considering the challenges and opportunities facing the Company and the skills and expertise needed.

5.3.10 Oversee identification and building up of a pipeline of talent (through coaching and investing in skills-enhancement programs) from within SUN to step in leadership positions in the future.

5.4 Remuneration

The Committee shall:

At Board Level

5.4.1 Have responsibility for setting the remuneration policy, as defined under appendix C and reviewing its on-going appropriateness and relevance.

5.4.2 Determine the level of remuneration payable to the Directors (as Board member and Committee members), in line with the remuneration policy.

5.4.3 Determine the Directors' allowance policy for the resorts of the Group.

At Senior Management Level

5.4.5 Determine the remuneration packages for the executive directors and selected direct reporting lines, including but not limited to basic salary, benefits in kind, annual bonuses, performance-based incentives, pensions and any other benefits.

5.4.5 Determine job objectives of the Chief Executive Officer with clear KPI's (balanced across strategic, financial, operational and compliance aspects of performance), at the beginning of the financial year, to measure his or her performance in discharging his or her functions and responsibilities.

5.4.6 Conduct a high-level review of the achievement of performance objectives prior to the finalisation of variable pay for the Chief Executive Officer.

5.4.7 Validate the main elements of the overall remuneration strategy relating to salary reviews and bonus allocation for the Company's employees.

5.4.8 Determine any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities.

5.4.9 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.

5.4.10 Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfill 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 constraints imposed by the Board.

6. Reporting Responsibility

6.1 The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

6.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

7. Remuneration of the Members of the Committee

- 7.1 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 may be paid such remuneration as shall be fixed by the Board. Such remuneration, which shall be in addition to their fees payable as directors.
- 7.2 The Chairman of the Committee may, in addition to his or her remuneration as member, receive a further sum as determined by the Board.

8. Other Matters

The Committee shall:

- 8.1 Have access to outside or other independent professional advice as it considers necessary to carry out its duties.
- 8.2 Have access to sufficient resources to carry out its duties, including access to the Company Secretary for assistance as required.
- 8.3 Be provided with appropriate and timely training, both in form of an induction programme for new members and on an on-going basis for all members.
- 8.4 Have due consideration to laws, regulations and any published guidelines or recommendations that will impact on the activities of the Committee.
- 8.5 Review its constitution and terms of reference, as and when deemed necessary, to ensure it is operating at maximum effectiveness and recommend any changes it considers appropriate to the Board for approval.

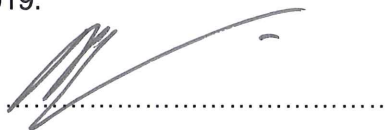
9. Authority

The Committee is authorised to obtain, at the Company's expense, independent legal, or other professional advice on any matter which falls within its terms of reference, if circumstances so warrant recommend any changes it considers appropriate to the Board for approval.

Approved by the Board on 19 September 2019.



Chairman of the Board



Chairman of the Committee



Company Secretary

Appendix A:

Composition of the Committee

- Naderasen Pillay Veerasamy, Chairman, Independent Non-Executive Director
- Jean-Pierre Dalais, Non-Executive Director
- P. Arnaud Dalais, Non-Executive Director
- M. G. Didier Harel, Independent Non-Executive Director
- Olivier Riché, Non-Executive Director

Appendix B:**Position Statement of the Chairman of the Corporate Governance, Ethics, Nomination and Remuneration Committee****1. Appointment**

1. The Board of Directors ("Board") of Sun Limited ("Company") has approved the constitution of a Corporate Governance, Ethics, Nomination & Remuneration Committee ("CGENRC" or "Committee") with defined terms of reference.
2. The chairman of the Committee shall be a non-executive director.
3. The chairman of the Committee shall not be the chairman of the Board.

2. Duties

The duties of the chairman of the Committee shall include but shall not be restricted to:

2.1 Terms of Reference

To ensure that the Committee operates within its approved terms of reference and that it has discharged its responsibility according to its duties.

2.2 Meetings

- a) To determine the frequency and dates of meetings of the Committee in consultation with the company secretary.
- b) To set the agendas of the Committee with the support of the company secretary.
- c) To chair meetings of the Committee and encourage a free and open discussion at the meetings.

2.3 Management

- a) To effectively manage the affairs of the Committee and ensure that adequate time is allowed for the discussion of issues.
- b) To ensure that matters requiring the Committee's consideration are discussed and all items requiring the its approval are appropriately tabled.
- c) To promote a culture whereby all members' contributions are encouraged and valued.
- d) To ensure that corporate governance practices are applied throughout the Company.

2.4 Communication and Reporting

- a) To ensure there is proper flow of information to the Committee.
- b) To report to the Board on the matters reviewed by, and on any decisions or recommendations of the Committee at the next meeting of the Board following any meeting of the Committee.
- c) To report to the Board whether the Company has complied fully or partially with the National Code of Corporate Governance for Mauritius (2016).

Appendix C:**Statement of Remuneration Policy for the Board**

- Non-executive directors, who are not employed by CIEL Corporate Services Ltd, shall perceive a fixed fee reflecting the workload, the size and the complexity of the business as well as the responsibility involved. Should the Chairman of the Board be one of the non-executive directors who are not employed by CIEL Corporate Services Ltd, he/she may be entitled a higher remuneration. The Committee shall recommend such fees for approval by the Board.
- Terms and conditions of non-executive directors shall be determined in their appointment letter.
- The objective of remunerating non-executive directors is to ensure that there is an appropriate level of remuneration to attract and retain experienced people of high caliber to oversee the Company's business and development. Their remuneration shall be reviewed annually by the Committee with reference to companies of comparable business or scale, and any changes are subject to Board approval.
- There shall be committee fees for non-executive directors, who are not employed by CIEL Corporate Services Ltd, with the fees differing in accordance with the time required for preparation, the frequency and the duration of meetings. Chairmen of committees should be paid a higher remuneration than members. The Committee shall recommend such fees for approval by the Board.
- No share option or bonus shall be granted to non-executive directors.
- Directors' fees of the non-executive directors shall be payable, once yearly, within one month after the termination of the financial year, unless a director requests that the payment be effected monthly.
- Remuneration payable to directors appointed during the financial year shall be pro-rated.
- The remuneration of the Chairman of the Board shall be approved by the Committee.
- In addition to Directors fees, Directors shall be entitled to an hotel allowance, as defined under the Directors' Allowance Policy.